

**TOWNSHIP OF  
STAFFORD  
COUNTY OF OCEAN  
NEW JERSEY**

**REPORT OF AUDIT  
YEAR ENDED DECEMBER 31, 2013**

# TOWNSHIP OF STAFFORD

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## COUNTY OF OCEAN

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### **COUNTY OF OCEAN**

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**TOWNSHIP OF STAFFORD**

**COUNTY OF OCEAN**

**PART I**

**REPORT OF AUDIT OF FINANCIAL STATEMENTS**

**AND SUPPLEMENTARY DATA**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

# FALLON & LARSEN LLP

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Certified Public Accountants

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## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and Members  
of the Township Council  
Township of Stafford  
County of Ocean  
Stafford, New Jersey

We have audited the accompanying balance sheets of the various funds and the comparative statement of general fixed asset account group of the Township of Stafford (the "Township"), as of December 31, 2013 and 2012, and the related statements of operations and changes in fund balance for the years then ended and the related statements of revenues and statements of expenditures for the year ended December 31, 2013 and the related notes to the financial statements which collectively comprise the Township's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The financial statements of the Length of Service Award Program ("LOSAP") were not audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment

of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles**

As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Division of Local Government Services, Department of Community Affairs, State of New Jersey.

The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

### **Adverse Opinion on U.S. Generally Accepted Accounting Principles**

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the Township as of December 31, 2013 and 2012, the changes in financial position for the years then ended.

### **Basis for Qualified Opinion on Length of Service Award Program**

The financial statements of the Length of Service Award Program Fund ("LOSAP") have not been audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements. The LOSAP Fund financial activities are included in the Township's Trust Fund and represents 9.10% and 7.40% of the assets and liabilities as of December 31, 2013 and 2012, respectively of the Township's Trust Funds.

### **Qualified Opinion on Regulatory Basis of Accounting**

In our opinion, except for the effects of the matter described in the "Basis for Qualified Opinion on Length of Service Award Program" paragraph, the financial statements referred to above present fairly in all material respects, the financial position of the Township Trust Funds, for the years ended December 31, 2013 and 2012 on the basis of accounting described in Note 1 to the financial statements.

## **Unmodified Opinions on Regulatory Basis of Accounting**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Current Fund, General Capital Fund, Water-Sewer Utility Fund, and General Fixed Asset Account Group of the Township as of December 31, 2013 and 2012, and the results of its operations and changes in fund balance of the individual funds for the years then ended, and the revenues and expenditures for the year ended December 31, 2013 on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey as described in Note 1 to the financial statements.

## **Uncertainties Regarding Community Disaster Loan**

As discussed in Note 22 the Township received a Community Disaster Loan from the United States Government Department of Homeland Security in the amount of \$2,000,000.00 due to potential losses in revenue as a result of Hurricane Sandy. In accordance with directives from the State of New Jersey, this loan was realized as revenue in current fund of the Township for the year ended December 31, 2013. Federal guidelines stipulate that under certain conditions these loans may be forgiven. The loan has also been recorded as a loan payable but is offset by a deferred charge. As of the date of this report there is no decision that the loan was or will be forgiven. Our opinion is not modified with respect to this matter.

## **Other Information**

Our audits were conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township's financial statements. The accompanying financial information listed as supplementary schedules and comments section in the table of contents are presented for purposes of additional analysis as required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey and are not a required part of the basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is also not a required part of the basic financial statements.

The accompanying financial information listed as supplementary schedules and comments sections in the table of contents and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. Except for the LOSAP Fund supplementary schedules, such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. Except for the effects of such adjustments, if any, as might have been determined to be necessary had the LOSAP Fund supplementary information been audited, in our opinion, the supplementary schedules and comments sections are fairly stated in all material respects in relation to the financial statements as a whole.

## **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated June 12, 2014, on our consideration of the Township's internal control over financial reporting and on our tests of its

compliance with certain provisions of laws, regulations, contracts, and grant agreement and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Township's internal control over financial reporting and compliance.



Thomas P. Fallon  
Certified Public Accountant  
Registered Municipal Accountant #465



Fallon & Larsen LLP

Hazlet, New Jersey  
June 12, 2014

Certified Public Accountants

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Mayor and Members  
of the Township Council  
Township of Stafford  
County of Ocean  
Stafford, New Jersey

We have audited, in accordance with the auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey, the financial statements of the Township of Stafford, of the State of New Jersey (the "Township"), as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Township's basic financial statements and have issued our report thereon dated June 12, 2014. The financial statements of the Length of Service Award Program ("LOSAP") were not audited and we were not required by the Division of Local Government Services, Department of Community Affairs, State of New Jersey to audit the LOSAP Fund financial statements in accordance with auditing standards generally accepted in the United States, *Government Auditing Standards* and the audit requirements prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. We expressed an adverse opinion on the conformity of the statements with accounting principles generally accepted in the United States of America. As described in Note 1, the financial statements are prepared by the Township on the basis of the financial reporting provisions of the Division of Local Government Services, Department of Community Affairs, State of New Jersey, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion was also qualified because the Division of Local Government Services does not require the Length of Service Award Program to be audited, only reviewed.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Township's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Township's internal control. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control.



A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Township's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreement, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However providing an opinion on compliance with these provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and questioned costs as item 2013-01.

### **Township of Stafford, State of New Jersey's Response to Findings**

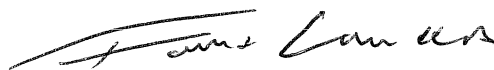
Township of Stafford, State of New Jersey's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. Township of Stafford, State of New Jersey's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Thomas P. Fallon  
Certified Public Accountant  
Registered Municipal Accountant #465



Fallon & Larsen LLP

Hazlet, New Jersey  
June 12, 2014

CURRENT FUND

## COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2013 and 2012

Assets	Reference	2013	2012	Liabilities, Reserves and Fund Balance	Reference	2013	2012
Cash and Cash Equivalents - Treasurer	1-A	\$ 9,274,846.37	\$ 12,697,710.28	Appropriation Reserves	A-3,8-A	\$ 2,202,189.90	\$ 558,525.02
Cash - Change Fund	A	300.00	300.00	Encumbrances Payable	9-A	224,027.61	1,518,188.12
		9,275,146.37	12,698,010.28	Accounts Payable	19-A	782,462.18	
				Payroll Deductions Payable	11-A	176,906.77	164,271.05
				Prepaid Taxes	12-A	505,334.07	466,786.36
				County Taxes Payable	13-A	51,750.08	43,465.31
				Local District School Tax Payable	14-A	1,616,654.50	1,795,451.00
				Regional School Tax Payable	14-A	158,609.87	541,146.75
				Tax Overpayments Payable	15-A	7,409.37	4,782.47
				Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	2-A	345.81	9,193.76
Taxes Receivable	3-A	576,922.88	947,512.88	Due To Grant Fund	10-A	202,322.91	146,809.43
Tax Title Liens Receivable	4-A	104,554.96	118,833.01	Reserve for:			
Revenue Accounts Receivable	5-A	32,395.83	20,818.00	Payment of Special Emergency Notes	1-A	235,307.68	
Due From Animal Control Fund	A-2	7,816.37		Tax Appeals	A-3	175,000.00	
Property Acquired for Taxes - Assessed Valuation	6-A	186,650.00	288,350.00	Garden State Preservation Trust Fund	17-A		36,666.00
				Special Emergency - Superstorm Sandy	22-A		4,115,315.43
		908,340.04	1,375,513.89	FEMA Community Disaster Loan Payable	A	2,000,000.00	
				Special Emergency Notes	20-A	1,255,000.00	7,000,000.00
Deferred Charges:							
Future Taxation Unfunded - CDL	A	2,000,000.00	7,000,000.00			9,593,320.75	16,400,600.70
Special Emergency Authorization	21-A	1,255,000.00		Reserve for Receivables and Other Assets	A	908,340.04	1,375,513.89
		3,255,000.00	7,000,000.00	Fund Balance	A-1	2,936,825.62	3,297,409.58
		13,438,486.41	21,073,524.17			13,438,486.41	21,073,524.17
Grant Fund:				Grant Fund:			
State and Federal Grants Receivable	7-A	27,066.19	21,955.24	Encumbrances Payable	9-A	11,126.55	2,804.00
Due From Current Fund	A	202,322.91	146,809.43	Reserve for Grant Expenditures - Appropriated	18-A	218,262.55	165,960.67
		229,389.10	168,764.67			229,389.10	168,764.67
Total Assets		\$ 13,667,875.51	\$ 21,242,288.84	Total Liabilities, Reserves and Fund Balance		\$ 13,667,875.51	\$ 21,242,288.84

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN FUND BALANCE -  
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Reference</u>	<u>2013</u>	<u>2012</u>
Revenue and Other Income Realized:			
Fund Balance Utilized	A-2	\$ 2,900,000.00	\$ 3,250,000.00
Miscellaneous Revenue Anticipated	A-2	7,976,401.82	5,083,687.77
Receipts From Delinquent Taxes	A-2	935,647.41	848,940.32
Receipts From Current Taxes	A-2	80,583,706.44	82,562,339.78
Non-Budget Revenues	A-2	417,254.11	675,149.31
Other Credits To Income:			
Unexpended Balance of Appropriation Reserves	8-A	192,815.61	380,821.84
Total Revenues		<u>93,005,825.39</u>	<u>92,800,939.02</u>
Expenditures:			
Budget Appropriations:			
Operations:			
Salaries and Wages	A-3	16,725,836.53	16,512,250.00
Other Expenses	A-3	12,212,703.97	18,036,674.61
Capital Improvements	A-1	301,221.01	
Deferred Charges and Statutory Expenditures	A-3	4,770,673.22	3,269,808.52
Debt Service	A-3	6,952,503.82	6,542,348.56
Prior Year Senior Citizens' Disallowed	2-A	12,297.94	17,823.27
Interfunds Advanced		7,816.37	
County Taxes	13-A	14,929,975.72	16,523,991.58
County Share of Added Taxes	13-A	51,750.08	43,465.31
Local District School Tax	14-A	25,817,889.00	26,175,482.00
Regional School Tax	14-A	8,593,396.00	9,358,469.76
Municipal Open Space Tax	16-A	90,345.69	439,125.28
Total Expenditures		<u>90,466,409.35</u>	<u>96,919,438.89</u>
Excess (Deficit) in Revenue		2,539,416.04	(4,118,499.87)
Add Back Charges Which Are By Statute			
Deferred Charges To Succeeding Years' Budgets:			
Special Emergency Authorization			7,000,000.00
Statutory Excess		2,539,416.04	2,881,500.13
Fund Balance, January 1	A	<u>3,297,409.58</u>	<u>3,665,909.45</u>
		5,836,825.62	6,547,409.58
Decreased By:			
Utilized as Anticipated Revenue	A-2	<u>2,900,000.00</u>	<u>3,250,000.00</u>
Fund Balance, December 31	A	<u>\$ 2,936,825.62</u>	<u>\$ 3,297,409.58</u>

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

Exhibit A-2  
Page 1 of 3

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Reference</u>	<u>Anticipated</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Surplus Anticipated	A-1	\$ 2,900,000.00	\$ 2,900,000.00	
Miscellaneous Revenues:				
Licenses:				
Alcoholic Beverages	5-A	30,000.00	30,950.00	\$ 950.00
Fees and Permits	5-A	25,000.00	47,715.00	22,715.00
Fines and Costs:				
Municipal Court	5-A	325,000.00	378,915.02	53,915.02
Interest and Cost on Taxes	5-A	195,000.00	269,467.01	74,467.01
Fire Prevention Bureau Fees	5-A	85,000.00	99,135.51	14,135.51
Mobile Home Park Fees	5-A	130,000.00	140,708.00	10,708.00
Payments in Lieu of Taxes - Federal	5-A	13,932.00	10,989.00	(2,943.00)
Cable TV Fee and Lease	5-A	112,983.11	112,983.11	
PILOT - Target, Costco, etc.	5-A	266,000.00	286,626.11	20,626.11
Energy Receipts Tax	5-A	2,465,920.00	2,465,920.00	
Supplemental Energy Receipts Tax	5-A	104,286.00	104,286.00	
Garden State Preservation Trust Fund	5-A	36,666.00	36,666.00	
Uniform Construction Code Fee	5-A	600,000.00	1,078,926.00	478,926.00
Shared Services Agreement -				
Animal Control:				
Township of Long Beach	5-A	17,500.00	17,073.20	(426.80)
Borough of Beach Haven	5-A	5,000.00	7,005.50	2,005.50
Borough of Barnegat Light	5-A	3,000.00	3,463.50	463.50
Borough of Harvey Cedars	5-A	3,000.00	2,932.00	(68.00)
Shared Services Agreement -				
Construction:				
Township of Eagleswood	5-A	30,000.00	35,902.00	5,902.00
Borough of Beach Haven	5-A	30,000.00	85,602.60	55,602.60
Borough of Surf City	5-A	30,000.00	31,470.00	1,470.00
Borough of Harvey Cedars	5-A	15,000.00	18,883.00	3,883.00
Ocean County Cooperative Pricing System	5-A	15,000.00	17,000.00	2,000.00
Reserve To Pay Bonds	5-A	89,750.00	89,750.00	
Capital Surplus	5-A	215,000.00	215,000.00	
Reserve To Pay Notes	5-A	50,000.00	50,000.00	
FEMA Community Disaster Loan	5-A	3,124,209.75	2,000,000.00	(1,124,209.75)
FEMA Reimbursements - Superstorm Sandy	5-A	160,790.25	160,790.25	
Recycling Tonnage Grant	7-A	51,871.38	51,871.38	
Clean Communities Program	7-A	69,023.32	69,023.32	
Alcohol Education and Rehabilitation Fund	7-A	2,322.09	2,322.09	
Municipal Alliance on Alcoholism and Drug Abuse	7-A	27,000.00	27,000.00	
2013 Body Armor Replacement Fund	7-A	6,094.09	6,094.09	
Drunk Driving Enforcement Fund	7-A	21,932.13	21,932.13	
Total Miscellaneous Revenues	A-1	8,356,280.12	7,976,401.82	(379,878.30)

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Reference</u>	<u>Anticipated</u>	<u>Amount Realized</u>	<u>Excess/ (Deficit)</u>
Receipts From Delinquent Taxes	A-1,3-A	<u>700,000.00</u>	<u>935,647.41</u>	<u>235,647.41</u>
Amount To Be Raised By Taxes for Support of Municipal Budget	A-2,3-A	<u>31,474,900.09</u>	<u>33,218,059.08</u>	<u>1,743,158.99</u>
Budget Totals	A-3	43,431,180.21	45,030,108.31	1,598,928.10
Non-Budget Revenues	A-1,A-2		<u>417,254.11</u>	<u>417,254.11</u>
		<u>\$ 43,431,180.21</u>	<u>\$ 45,447,362.42</u>	<u>\$ 2,016,182.21</u>
Revenue Accounts Receivable	5-A		\$ 7,798,158.81	
Grants Receivable	7-A		<u>178,243.01</u>	
	A-2		<u>\$ 7,976,401.82</u>	
Summary of Revenue Realized:				
Allocation of Current Tax Revenues:				
Allocation of Current Tax Collections:				
Revenue From Collections	A-1,3-A		\$ 80,583,706.44	
Allocated To School and County Taxes	3-A		<u>49,483,356.49</u>	
Balance for Support of Municipal Appropriations			31,100,349.95	
Increased By:				
Appropriation Reserve for Uncollected Taxes	A-3		<u>2,117,709.13</u>	
Amount for Support of Municipal Budget Appropriations	A-2		<u>\$ 33,218,059.08</u>	

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

<u>Analysis of Non-Budget Revenues</u>	<u>Reference</u>	
Peddler and Taxi Licenses		\$ 2,350.00
Raffle/Bingo Licenses		8,655.00
Food-Handlers License		12,950.97
Vital Statistics		35,449.07
Tax Searches		10.00
Xerox Copies		315.52
Impound/Storage Fees		1,309.00
Land Use - Zoning Fees		90.00
Administration Fees - Site Plans		5,275.00
Variance Lists		660.00
Towing Fees		860.00
Ocean County Recycling Revenue Sharing		59,163.31
Pool Licenses		500.00
Street Opening Permits		10,758.00
Labor Liens		8,834.20
Police Reports		3,271.07
Police Outside Employment Administrative Fee		56,206.17
Interest on Investments and Deposits		8,868.55
Trash Containers		660.00
Returned Check Charge Fees		220.00
Cat Licenses		8,409.40
Court Reporter - Planning and Zoning		4,075.00
Miscellaneous		112.03
2% Administrative Payment		9,102.41
Miscellaneous Refunds and Reimbursements		17,306.38
Restitution		930.75
Penalty - Building Department		1,725.00
Recycled Material		18,116.15
PILOT - Presbyterian Homes		33,535.21
PILOT - Stafford Family Apartments		55,018.00
PILOT - Stafford Properties Urban Development		27,051.94
Tax Sale Premiums		8,100.00
Auction Proceeds		52.53
Premium on Special Emergency Notes		3,727.00
Firearms Application Fees		2,825.00
Statutory Excess - Animal Control		7,813.95
DMV Inspection Fines		2,947.50
	A-2	<u>\$ 417,254.11</u>
Cash Receipts	1-A	\$ 409,437.74
Due from Animal Control Fund	A	<u>7,816.37</u>
		<u>\$ 417,254.11</u>

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operations - Within "CAPS"					
GENERAL GOVERNMENT					
General Administration:					
Salaries and Wages	\$ 221,500.00	\$ 221,500.00	\$ 216,606.44	\$ 4,893.56	
Other Expenses	11,415.00	11,415.00	10,075.92	1,339.08	
Purchasing:					
Salaries and Wages	151,500.00	151,500.00	147,856.10	3,643.90	
Other Expenses	8,580.00	8,580.00	8,517.05	62.95	
Human Resources:					
Other Expenses	18,400.00	18,400.00	14,787.50	3,612.50	
Mayor and Council:					
Salaries and Wages	119,500.00	119,500.00	117,251.18	2,248.82	
Other Expenses	4,550.00	4,550.00	2,810.65	1,739.35	
Municipal Clerk:					
Salaries and Wages	251,500.00	251,500.00	234,552.69	16,947.31	
Other Expenses	38,450.00	38,450.00	29,208.00	9,242.00	
Elections	2,500.00	2,500.00	2,500.00		
Financial Administration (Treasury):					
Salaries and Wages	363,000.00	363,000.00	354,148.80	8,851.20	
Other Expenses	16,000.00	16,000.00	16,000.00		
Audit Services:					
Other Expenses	36,000.00	36,000.00	35,700.00	300.00	
Banking and Arbitrage Rebate Services:					
Other Expenses	25,000.00	25,000.00	8,395.86	16,604.14	
Computerized Data Processing:					
Salaries and Wages	133,500.00	133,500.00	129,830.31	3,669.69	
Other Expenses	119,600.00	122,400.00	122,363.29	36.71	
Revenue Administration (Tax Collection):					
Salaries and Wages	389,000.00	389,000.00	376,438.87	12,561.13	
Other Expenses	64,925.00	64,925.00	50,985.18	13,939.82	
Tax Assessment Administration:					
Salaries and Wages	359,500.00	359,500.00	356,046.86	3,453.14	
Other Expenses	100,600.00	100,600.00	94,387.89	6,212.11	
Legal Services (Legal Department):					
Other Expenses	200,000.00	200,000.00	64,010.87	135,989.13	
Engineering Services:					
Other Expenses	130,000.00	130,000.00	125,591.59	4,408.41	
Municipal Alliance:					
Salaries and Wages	42,000.00	42,000.00	40,480.30	1,519.70	
Community Development and Zoning:					
Salaries and Wages	180,500.00	189,500.00	188,166.73	1,333.27	
Other Expenses	13,800.00	13,800.00	11,887.51	1,912.49	
Historic Sites Office:					
Salaries and Wages	1,000.00	1,000.00	154.05	845.95	
Other Expenses	750.00	750.00	639.27	110.73	

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
LAND USE ADMINISTRATION					
Planning Board:					
Salaries and Wages	4,000.00	4,000.00	3,016.31	983.69	
Other Expenses	9,170.00	9,170.00	6,174.12	2,995.88	
Zoning Board of Adjustment:					
Salaries and Wages	3,000.00	3,000.00	1,657.94	1,342.06	
Other Expenses	10,385.00	10,385.00	7,741.69	2,643.31	
CODE ENFORCEMENT AND ADMINISTRATION					
Uniform Construction Code Enforcement:					
Salaries and Wages	634,500.00	634,500.00	573,086.94	61,413.06	
Other Expenses	10,850.00	10,850.00	10,780.26	69.74	
Other Code Enforcement Functions:					
Salaries and Wages	163,500.00	173,500.00	172,814.33	685.67	
Other Expenses	1,700.00	1,700.00	1,558.84	141.16	
INSURANCE					
General Liability	318,645.26	318,645.26	314,083.26	4,562.00	
Workers Compensation	407,342.15	407,342.15	407,342.15		
Employee Group Health	4,978,780.00	4,978,780.00	4,978,780.00		
Unemployment/Disability Insurance	35,000.00	35,000.00	35,000.00		
PUBLIC SAFETY					
Police Department:					
Salaries and Wages	8,017,750.00	7,788,586.53	7,312,545.93	476,040.60	
Other Expenses	321,888.55	341,888.55	322,963.66	18,924.89	
Office of Emergency Management:					
Other Expenses	4,250.00	4,250.00	3,841.88	408.12	
Aid To Volunteer Fire Companies	90,000.00	90,000.00	90,000.00		
Aid To Volunteer Ambulance Companies	70,000.00	70,000.00	34,966.00	35,034.00	
Uniform Fire Safety:					
Salaries and Wages	158,500.00	158,500.00	146,886.82	11,613.18	
Other Expenses	14,200.00	14,200.00	9,841.88	4,358.12	
Municipal Prosecutor's Office:					
Other Expenses	55,000.00	55,000.00	41,276.25	13,723.75	
New Jersey Public Employees Safety and Health	30,500.00	30,500.00	27,511.95	2,988.05	

See accompanying notes.



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
<b>PUBLIC WORKS</b>					
Streets and Road Maintenance:					
Salaries and Wages	1,150,500.00	1,150,500.00	977,033.03	173,466.97	
Other Expenses	138,350.00	133,350.00	129,161.82	4,188.18	
Solid Waste Collection:					
Salaries and Wages	1,505,500.00	1,505,500.00	1,479,585.18	25,914.82	
Other Expenses	43,425.00	43,425.00	39,365.19	4,059.81	
Buildings and Grounds:					
Salaries and Wages	1,092,500.00	1,092,500.00	1,058,658.80	33,841.20	
Other Expenses	171,200.00	176,200.00	175,418.45	781.55	
Vehicle Maintenance:					
Salaries and Wages	668,500.00	628,500.00	612,531.06	15,968.94	
Other Expenses	569,250.00	609,250.00	602,133.93	7,116.07	
Municipal Bus Service:					
Salaries and Wages	211,000.00	211,000.00	201,133.82	9,866.18	
Other Expenses	4,550.00	4,550.00	2,278.30	2,271.70	
<b>HEALTH AND HUMAN SERVICES</b>					
Environmental Health Services:					
Salaries and Wages	5,000.00	5,000.00	4,547.10	452.90	
Other Expenses	1,720.00	1,720.00	987.40	732.60	
Animal Control Services:					
Salaries and Wages	138,750.00	138,750.00	123,068.78	15,681.22	
Other Expenses	35,250.00	35,250.00	31,414.61	3,835.39	
<b>PARKS AND RECREATION</b>					
Recreation Services and Programs:					
Salaries and Wages	359,000.00	359,000.00	351,078.41	7,921.59	
Other Expenses	44,625.00	44,625.00	40,972.75	3,652.25	
Beach and Boardwalk Operations:					
Salaries and Wages	40,000.00	21,000.00	20,230.25	769.75	
Other Expenses	1,250.00	1,250.00	270.00	980.00	
Celebration of Public Events:					
Other Expenses	36,000.00	36,000.00	31,086.68	4,913.32	
Municipal Court:					
Salaries and Wages	387,000.00	387,000.00	367,203.34	19,796.66	
Other Expenses	19,540.00	19,540.00	18,550.39	989.61	
Public Defender:					
Other Expenses	35,000.00	35,000.00	30,654.14	4,345.86	

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
UNCLASSIFIED					
UTILITY EXPENSES AND BULK PURCHASES					
Electricity	305,000.00	305,000.00	269,474.38	35,525.62	
Street Lighting	430,000.00	430,000.00	362,415.78	67,584.22	
Telephone (excluding telephone acquisition)	175,000.00	175,000.00	143,946.24	31,053.76	
Water	25,000.00	25,000.00	5,054.06	19,945.94	
Gas (natural or propane)	55,000.00	55,000.00	45,506.10	9,493.90	
Telecommunications Costs	500.00	500.00	149.28	350.72	
Sewerage Processing and Disposal	20,000.00	20,000.00	10,901.85	9,098.15	
Gasoline	650,000.00	650,000.00	488,711.41	161,288.59	
Landfill/Solid Waste Disposal Costs	1,485,000.00	1,485,000.00	1,253,160.64	231,839.36	
Accumulated Leave Compensation	110,000.00	110,000.00	110,000.00		
Total Operations - Within "CAPS"	28,255,440.96	28,049,077.49	26,247,946.29	1,801,131.20	
Detail:					
Salaries and Wages	16,861,500.00	16,592,336.53	15,676,610.37	915,726.16	
Other Expenses	11,393,940.96	11,456,740.96	10,571,335.92	885,405.04	
Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"					
DEFERRED CHARGES					
Prior Year Bills:					
Mastercraft Discount Auto - 2011	73.45	73.45			\$ 73.45
Water/Sewer Utility Budget Deficit	350,000.00	350,000.00			350,000.00
STATUTORY EXPENDITURES					
Contribution To:					
Public Employees Retirement System	816,111.75	847,475.22	847,475.22		
Social Security System (O.A.S.I.)	1,305,000.00	1,305,000.00	1,157,471.16	147,528.84	
Police and Firemen's Retirement System of NJ	1,295,198.00	1,295,198.00	1,295,198.00		
Defined Contribution Retirement Program	15,000.00	15,000.00	14,910.32	89.68	
Total Deferred Charges and Statutory Expenditures - Municipal - Within "CAPS"	3,781,383.20	3,812,746.67	3,315,054.70	147,618.52	350,073.45
Total General Appropriations for Municipal Purposes - Within "CAPS"	32,036,824.16	31,861,824.16	29,563,000.99	1,948,749.72	350,073.45

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Operations Excluded from "CAPS"					
Employee Group Health	246,220.00	246,220.00	90,529.82	155,690.18	
Length of Service Award Program	97,750.00	97,750.00		97,750.00	
Recycling Tax	52,000.00	52,000.00	52,000.00		
Reserve for Tax Appeals	175,000.00	175,000.00	175,000.00		
Total Operations - Excluded From "CAPS"	570,970.00	570,970.00	317,529.82	253,440.18	
Shared Service Agreements:					
Animal Control:					
Township of Long Beach:	17,500.00	17,500.00	17,500.00		
Salaries and Wages					
Borough of Beach Haven:	5,000.00	5,000.00	5,000.00		
Salaries and Wages					
Borough of Barnegat Light:	3,000.00	3,000.00	3,000.00		
Salaries and Wages					
Borough of Harvey Cedars:	3,000.00	3,000.00	3,000.00		
Salaries and Wages					
Construction:					
Township of Eagleswood	30,000.00	30,000.00	30,000.00		
Salaries and Wages					
Borough of Beach Haven:	30,000.00	30,000.00	30,000.00		
Salaries and Wages					
Borough of Surf City	30,000.00	30,000.00	30,000.00		
Salaries and Wages					
Borough of Harvey Cedars:	15,000.00	15,000.00	15,000.00		
Salaries and Wages					
Total Shared Service Agreements	133,500.00	133,500.00	133,500.00		

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

PUBLIC AND PRIVATE PROGRAMS OFFSET BY REVENUES

	Original Budget	Balance After Modification	Paid or Charged	Reserved	Cancelled
Recycling Tonnage Grant	51,871.38	51,871.38	51,871.38		
Ocean County Municipal Alliance	27,000.00	27,000.00	27,000.00		
Municipal Alliance - Local Match	6,750.00	6,750.00	6,750.00		
Clean Communities Program	69,023.32	69,023.32	69,023.32		
Drunk Driving Enforcement Fund	21,932.13	21,932.13	21,932.13		
Alcohol Education/Rehabilitation Grant	2,322.09	2,322.09	2,322.09		
2013 Body Armor Replacement Fund	6,094.09	6,094.09	6,094.09		
Total Public and Private Programs Offset By Revenues	184,993.01	184,993.01	184,993.01		
Total Operations - Excluded From "CAPS"	889,463.01	889,463.01	636,022.83	253,440.18	
Detail:					
Salaries and Wages	133,500.00	133,500.00	133,500.00		
Other Expenses	755,963.01	755,963.01	502,522.83	253,440.18	
Capital Improvements - Excluded From "CAPS"					
Capital Improvement Fund	126,221.01	301,221.01	301,221.01		
Total Capital Improvements - Excluded From "CAPS"	126,221.01	301,221.01	301,221.01		

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Original Budget</u>	<u>Balance After Modification</u>	<u>Paid or Charged</u>	<u>Reserved</u>	<u>Cancelled</u>
Municipal Debt Service - Excluded From "CAPS"					
Payment of Bond Principal	4,266,250.00	4,266,250.00	4,266,250.00		
Payment of Bond Anticipation Notes	50,000.00	50,000.00	50,000.00		
Interest on Bonds	2,118,590.93	2,118,590.93	2,118,590.93		
Interest on Notes	165,265.50	165,265.50	164,806.42		459.08
Green Acres Trust Loan Program:					
Loan Repayments for Principal and Interest	352,856.47	352,856.47	352,856.47		
Total Municipal Debt Service - Excluded From "CAPS"	6,952,962.90	6,952,962.90	6,952,503.82		459.08
Deferred Charges - Municipal Excluded from "CAPS"					
Deferred Charges:					
Special Emergency Authorizations - 5 Years (N.J.S. 40A:4-55)	1,308,000.00	1,308,000.00	1,308,000.00		
Total Deferred Charges - Municipal Excluded from "CAPS"	1,308,000.00	1,308,000.00	1,308,000.00		
Total General Appropriations for Municipal Purposes - Excluded From "CAPS"					
Subtotal General Appropriations	9,276,646.92	9,451,646.92	9,197,747.66	253,440.18	459.08
Reserve for Uncollected Taxes	41,313,471.08	41,313,471.08	38,760,748.65	2,202,189.90	350,532.53
Total General Appropriations	2,117,709.13	2,117,709.13	2,117,709.13		
	<u>\$ 43,431,180.21</u>	<u>\$ 43,431,180.21</u>	<u>\$ 40,878,457.78</u>	<u>\$ 2,202,189.90</u>	<u>\$ 350,532.53</u>

A

Reference

Budget as Adopted	
Added By N.J.S. 40A-4-87	
	<u>\$ 43,213,960.52</u>
	<u>217,219.69</u>
	<u>\$ 43,431,180.21</u>

A-2

Analysis of Paid or Charged	
Cash Disbursements	
Encumbrances Payable	
Deferred Charge - Special Emergency Authorization	
Reserve for:	
Uncollected Taxes	
Tax Appeals	
Grant Expenditures - Appropriated	
	<u>\$ 36,868,728.03</u>
	<u>224,027.61</u>
	<u>1,308,000.00</u>
	<u>2,117,709.13</u>
	<u>175,000.00</u>
	<u>184,993.01</u>
	<u>\$ 40,878,457.78</u>

1-A  
9-A  
21-A  
A-2  
A  
18-A

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2013 and 2012

<u>Assets</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>	<u>Liabilities and Reserves</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>
Animal Control Fund:				Animal Control Fund:			
Cash	1-B	\$ 55,530.77	\$ 46,719.22	Reserve for Animal Control Fund Expenditures	3-B	\$ 47,691.00	\$ 46,710.22
				Due To Current Fund	10-B	7,816.37	
				Due To State of New Jersey Department of Health	4-B	23.40	9.00
				Trust - Other Fund:			
				Reserve for:			
				Landfill Tax Escrow	5-B	409,054.90	413,819.09
				Cash Surety Bonds	6-B	1,555,481.80	1,585,149.14
				Developers' Escrow Deposits	6-B	1,381,611.33	1,312,554.57
				Municipal Alliance Program Income	7-B	25,191.13	20,391.64
				Various Reserves	8-B	4,149,836.64	3,811,884.79
Trust - Other Fund:	1-B	7,521,175.80	7,143,799.23			7,521,175.80	7,143,799.23
Cash							
Open Space Trust Fund:				Open Space Trust Fund:			
Cash and Cash Equivalents	1-B	1,163,857.10	1,464,708.85	Reserve for Open Space Fund Expenditures	9-B	1,163,857.10	1,464,708.85
						1,163,857.10	1,464,708.85
Length of Service Award Program				Length of Service Award Program			
Fund ("LOSAP") - Unaudited:				Fund ("LOSAP") - Unaudited:			
Investments	2-B	875,033.41	692,045.22	Miscellaneous Reserves	11-B	875,033.41	692,045.22
Total Assets		\$ 9,615,597.08	\$ 9,347,272.52	Total Liabilities and Reserves		\$ 9,615,597.08	\$ 9,347,272.52

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2013 and 2012

<u>Assets</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>	<u>Liabilities, Reserves and Fund Balance</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>
Cash and Cash Equivalents	1-C	\$ 6,593,521.58	\$ 6,025,918.58	Serial Bonds	6-C	\$ 54,486,000.00	\$ 58,926,000.00
				Bond Anticipation Notes	7-C	8,460,950.00	6,117,700.00
		6,593,521.58	6,025,918.58	Encumbrances Payable	8-C	1,644,118.64	2,672,134.54
				Loans Payable	9-C	3,743,467.70	2,828,584.95
				Improvement Authorizations:			
				Funded	10-C	799,846.91	2,392,203.39
				Unfunded	10-C	28,814,221.19	1,653,729.54
				Capital Improvement Fund	11-C	62,750.00	43,778.99
				Reserve for:			
				Preliminary Expenses - Community Center	3-C	150,000.00	
				Community Center Donations	14-C	100,100.00	250,000.00
				Community Center Insurance Proceeds	15-C	148,980.98	
	4-C	58,229,467.70	61,754,584.95	Debt Service	12-C	7,320.00	139,750.00
	5-C	34,571,700.00	8,098,950.00	Developer's Contributions	13-C	42,000.00	42,000.00
		92,801,167.70	69,853,534.95	Fund Balance	C-1	934,933.86	813,572.12
Deferred Charges To Future Taxation:							
Funded							
Unfunded							
Total Assets		\$ 99,394,689.28	\$ 75,879,453.53	Total Liabilities, Reserves and Fund Balance		\$ 99,394,689.28	\$ 75,879,453.53

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

STATEMENT OF CHANGES IN FUND BALANCE -  
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	C	\$	813,572.12
Increased By:			
Cancelled Funded Improvement Authorizations	10-C	\$	293,244.66
Premium on Note Sale	1-C		<u>43,117.08</u>
			<u>336,361.74</u>
			1,149,933.86
Decreased By:			
Anticipated Revenue in Current Fund	1-C		<u>215,000.00</u>
Balance, December 31, 2013	C	\$	<u><u>934,933.86</u></u>

See accompanying notes.



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY  
WATER/SEWER UTILITY FUND

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2013 and 2012

<u>Assets</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>	<u>Liabilities, Reserves and Fund Balances</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>
Operating Fund:				Operating Fund:			
Cash and Cash Equivalents	1-D	\$ 1,672,969.72	\$ 1,638,933.42	Liabilities:			
Cash - Change Fund	D	300.00	300.00	Appropriation Reserves	D-4,9-D	\$ 358,930.04	\$ 81,750.52
		1,673,269.72	1,639,233.42	Encumbrances Payable	10-D	58,714.60	17,232.11
Receivables With Full Reserves:				Accrued Interest on Bonds, Notes and Loans	11-D	681,917.88	715,118.19
Consumer Accounts Receivable	4-D	181,236.42	297,188.20	Prepaid Revenue	12-D	89,732.88	26,224.37
Water-Sewer Liens Receivable	5-D	17,242.25	14,950.50	Due to Water/Sewer Capital Fund	D		1,210,000.00
		198,478.67	312,138.70			1,189,295.20	2,050,325.19
Deferred Charges:				Reserve for Receivables	D	188,478.67	312,138.70
Deficit in Operations	3-D		411,169.89	Fund Balance	D-1	483,974.52	78.12
Total Operating Fund		1,871,748.39	2,362,542.01	Total Operating Fund		1,871,748.39	2,362,542.01
Capital Fund:				Capital Fund:			
Cash and Cash Equivalents	1-D	1,032,958.16	2,198,759.64	Serial Bonds	13-D	33,991,000.00	36,561,000.00
Fixed Capital	6-D	142,996,711.05	142,377,522.59	Loans Payable	14-D	25,202,290.21	27,102,156.11
Fixed Capital Authorized and Uncompleted	7-D	5,523,570.08	3,523,596.97	Bond Anticipation Notes	15-D	3,443,800.00	2,308,800.00
Due From Water/Sewer Operating Fund	8-D		1,210,000.00	Improvement Authorizations:			
				Funded	16-D	150,140.66	749,028.34
				Unfunded	16-D	1,035,890.28	1,165,827.84
				Contracts/Encumbrances Payable	17-D	1,020,145.40	1,132,755.28
				Capital Improvement Fund	18-D	12,625.00	10,000.00
				Down Payments on Improvements	19-D		2,625.00
				Reserve for:			
				Deferred Amortization	20-D	152,500.00	68,112.13
				Debt Service	21-D	190,064.30	205,744.29
				Amortization	22-D	84,020,690.92	79,861,051.32
				Fund Balance	D-2	334,092.52	142,778.89
Total Capital Fund		149,553,239.29	149,309,879.20	Total Capital Fund		149,553,239.29	149,309,879.20
Total Assets		\$ 151,424,987.68	\$ 151,672,421.21	Total Liabilities, Reserves and Fund Balances		\$ 151,424,987.68	\$ 151,672,421.21

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

COMPARATIVE STATEMENT OF OPERATIONS AND CHANGES IN OPERATING FUND BALANCE  
REGULATORY ACCOUNTING BASIS

Year ended December 31,

	<u>Reference</u>	<u>2013</u>	<u>2012</u>
Revenue and Other Income Realized:			
Water/Sewer User Fees	D-3	\$ 11,188,700.00	\$ 8,602,800.00
Miscellaneous	D-3	1,518,281.23	1,624,027.74
Interlocal Agreement - Boro of Ship Bottom	D-3	82,871.25	87,975.00
Capital Surplus	D-3	141,150.71	286,560.40
Reserve to Pay Bonds	D-3	205,744.29	78,975.60
Water/Sewer Rate Increases	D-3	1,892,902.05	2,585,906.80
Miscellaneous Revenue Not Anticipated	D-3	6,482.91	3,818.61
Other Credits To Income:			
Appropriation Reserves Lapsed	9-D	<u>28,104.08</u>	<u>32,657.15</u>
Total Revenue		<u>15,064,236.52</u>	<u>13,302,721.30</u>
Expenditures:			
Operating	D-4	7,211,250.00	6,874,000.00
Capital Improvements	D-4	102,000.00	
Debt Service	D-4	6,412,190.12	6,220,841.19
Deferred Charges	D-4	411,169.89	192,550.08
Statutory Expenditures	D-4	<u>443,730.11</u>	<u>426,499.92</u>
Total Expenditures		<u>14,580,340.12</u>	<u>13,713,891.19</u>
Excess/(Deficit) in Revenue		483,896.40	(411,169.89)
Fund Balance, January 1	D	78.12	78.12
Deficit in Operations	3-D	<u>                    </u>	<u>411,169.89</u>
		483,974.52	78.12
Fund Balance Utilized	D-1	<u>                    </u>	<u>                    </u>
Fund Balance, December 31	D	<u><u>\$ 483,974.52</u></u>	<u><u>\$ 78.12</u></u>

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

STATEMENT OF CHANGES IN CAPITAL FUND BALANCE  
REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	D		\$ 142,778.89
Increased By:			
Cancelled Funded Improvement Authorizations	16-D	\$ 315,838.43	
Premium on Sale of Bonds and Notes	1-D	<u>16,625.91</u>	
			<u>332,464.34</u>
			475,243.23
Decreased By:			
Anticipated in Budget	1-D		<u>141,150.71</u>
Balance, December 31, 2013	D		<u><u>\$ 334,092.52</u></u>

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

STATEMENT OF REVENUES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	<u>Reference</u>	<u>Anticipated</u>	<u>Realized</u>	<u>Excess/ (Deficit)</u>
Water/Sewer User Fees	D-1	\$ 11,188,700.00	\$ 11,188,700.00	
Miscellaneous	D-1	927,000.00	1,518,281.23	\$ 591,281.23
Interlocal Agreement - Ship Bottom	D-1	90,405.00	82,871.25	(7,533.75)
Capital Surplus	D-1	141,150.71	141,150.71	
Reserve to Pay Bonds	D-1	205,744.29	205,744.29	
Water/Sewer Rate Increases	D-1	1,512,000.00	1,892,902.05	380,902.05
FEMA Community Disaster Loan	D-1	250,000.00		(250,000.00)
Deficit (General Budget)	D-1	350,000.00		(350,000.00)
Miscellaneous Revenue Not Anticipated	D-1		6,482.91	6,482.91
	D-4	<u>\$ 14,665,000.00</u>	<u>\$ 15,036,132.44</u>	<u>\$ 371,132.44</u>
Cash Receipts	1-D		\$ 15,009,908.07	
Prepaid Revenue Applied	4-D,12-D		<u>26,224.37</u>	
			<u>\$ 15,036,132.44</u>	
Analysis of Miscellaneous:				
Connection Fees			\$ 1,230,270.15	
Interest on Investments			2,019.47	
Interest on Delinquent Accounts			56,832.95	
Lease Income			<u>229,158.66</u>	
	D-3		<u>\$ 1,518,281.23</u>	

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

STATEMENT OF EXPENDITURES - REGULATORY ACCOUNTING BASIS

Year ended December 31, 2013

	Appropriations		Expended		
	Budget	Budget After Modification	Paid or Charged	Reserved	Cancelled
Operating:					
Salaries and Wages	\$ 2,045,000.00	\$ 2,046,393.07	\$ 2,046,393.07		
Other Expenses	5,166,000.00	5,164,606.93	4,828,655.80	\$ 335,951.13	
Accumulated Leave Compensation	250.00	250.00	250.00		
Total Operating	7,211,250.00	7,211,250.00	6,875,298.87	335,951.13	
Capital Improvements:					
Capital Improvement Fund	90,000.00	90,000.00	90,000.00		
Capital Outlay	12,000.00	12,000.00		12,000.00	
Total Capital Improvements	102,000.00	102,000.00	90,000.00	12,000.00	
Debt Service:					
Payment of Bond Principal	2,570,000.00	2,570,000.00	2,570,000.00		
Interest on Bonds	1,341,150.00	1,341,150.00	1,341,125.01		\$ 24.99
Interest on Notes	55,000.00	55,000.00	28,241.04		26,758.96
Green Trust Loan Program:					
Loan Repayment for Principal and Interest	2,530,700.00	2,530,700.00	2,472,824.07		57,875.93
Total Debt Service	6,496,850.00	6,496,850.00	6,412,190.12		84,659.88
Deferred Charges:					
Deficit in Operations	411,169.89	411,169.89	411,169.89		
Total Deferred Charges	411,169.89	411,169.89	411,169.89		
Statutory Expenditures:					
Public Employees' Retirement System	284,916.25	284,916.25	284,916.25		
Social Security System	156,813.86	156,813.86	145,834.95	10,978.91	
Unemployment Compensation Insurance	2,000.00	2,000.00	2,000.00		
Total Statutory Expenditures	443,730.11	443,730.11	432,751.20	10,978.91	
Total Appropriations	\$ 14,665,000.00	\$ 14,665,000.00	\$ 14,221,410.08	\$ 358,930.04	\$ 84,659.88
	D-3	D-4	D-1	D/D-1	D-4
Reference					
Cash Disbursements	1-D		\$ 11,809,201.37		
Encumbrances Payable	10-D		58,714.60		
Accrued Interest Payable	11-D		1,942,324.22		
Deferred Charge - Deficit in Operations	3-D		411,169.89		
			\$ 14,221,410.08		

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

COMPARATIVE BALANCE SHEET - REGULATORY ACCOUNTING BASIS

December 31, 2013 and 2012

<u>Assets</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>	<u>Liabilities</u>	<u>Reference</u>	<u>2013</u>	<u>2012</u>
General Fixed Assets:							
Land	1-E	\$ 20,152,797.61	\$ 20,152,797.61				
Buildings and Improvements	1-E	12,102,316.35	12,574,842.35				
Machinery and Equipment	1-E	15,992,225.53	18,482,260.93	Investment in Fixed Assets	1-E	\$ 48,247,339.49	\$ 51,209,900.89
Total Assets		<u>\$ 48,247,339.49</u>	<u>\$ 51,209,900.89</u>	Total Liabilities		<u>\$ 48,247,339.49</u>	<u>\$ 51,209,900.89</u>

See accompanying notes.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies

A. Reporting Entity

The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB has adopted accounting statements to be used by governmental units when reporting financial position and results of operations in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The municipalities in the State of New Jersey do not prepare financial statements in accordance with GAAP and thus do not comply with all of the GASB pronouncements.

The financial statements of the Township of Stafford, County of Ocean, New Jersey ("Township") include every board, body, officer or commission maintained wholly or in part by funds appropriated by the Township, as required by the provision of N.J.S. 40A:5-5. The financial statements, however, do not include the operation of School Boards, Volunteer Fire Departments/Fire Districts and First Aid Squads which are subject to separate audit. Included within the financial statements are taxes levied, collected and turned over to School Boards and appropriations for contributions to Volunteer Fire Departments and First Aid Squads. Complete financial statements of the above entities can be obtained by contacting the Treasurer of the respective entity.

B. Description of Funds

GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. GASB Codification establishes three fund types to be used by general purpose governmental units when reporting financial position and results of operations in accordance with GAAP.

The accounting policies of the Township conform to the accounting principles and practices applicable to municipalities prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey. The accompanying financial statements are presented in the format prescribed by the State of New Jersey. Such principles and practices are designed primarily for determining compliance with legal provisions and budgetary restrictions and are a means of reporting on the stewardship of public officials with respect to public funds. Under this method of accounting, the Township accounts for its financial transactions through the following separate funds:

Current Fund - is used to account for all revenues and expenditures applicable to the general operations of Township departments.

Federal and State Grant Fund – accounts for receipts and disbursements of Federal and State grants.

Trust Funds - are used to account for assets held by the Township in a trustee capacity or as an agent for individuals and other governmental agencies. Funds held by the Township which have restrictions placed on the use of such funds are recorded in the Trust Fund.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

B. Description of Funds (continued)

General Capital Fund - is used to account for financial resources to be used for the acquisition of general capital facilities. The major resources are derived from the sale of serial bonds and bond anticipation notes.

Water/Sewer Utility Operating and Capital Funds - are used to account for Water/Sewer operations that are financed through user fees. The funds are operated on a basis similar to private business enterprises where the intent is that the costs of providing the Water/Sewer Utility to the general public be financed through user fees. Operations related to the acquisition of Water/Sewer capital facilities are recorded within the Water/Sewer Utility Capital Fund.

General Fixed Assets Account Group - The Township has complied with Technical Accounting Directive No. 85-2 issued by the Division of Local Government Services. Technical Accounting Directive No. 85-2 utilizes the following accounting policies:

Fixed assets used in governmental operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, such as roads, bridges, curbs and gutters, streets and sidewalks and drainage systems are not capitalized.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available.

No depreciation is provided for in the financial statements.

Expenditures for construction in progress are recorded in the Capital Funds until such time as the construction is completed and put into operation.

Fixed assets acquired through grants in aid or contributed capital is not accounted for separately.



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation

The accounting principles and practices prescribed for municipalities by the Division of Local Government Services differ in certain respects from GAAP applicable to local government units. The more significant differences follow.

A modified accrual basis of accounting is followed by the Township. Modifications from the accrual basis follow:

Revenues

Revenues are recorded as received in cash except for statutory reimbursements and grant funds, which are due from other governmental units. State and federal grants for operating purposes are realized as revenues when anticipated in the Township budget. Receivables for property taxes are recorded with offsetting reserves within the Current Fund. Other amounts that are due to the Township which are susceptible to accrual are recorded as receivables with offsetting reserves. These reserves are liquidated and revenues are recorded as realized upon receipt of cash. GAAP requires the recognition of revenues for general operations in the accounting period in which they become available and measurable.

Expenditures

- (a) Disbursements for Current Fund inventory-type items are considered expenditures at the time of purchase;
- (b) Prepaid expenses are not recorded;
- (c) Interest on long-term debt included in the General Capital Fund is recorded as an expenditure when paid;
- (d) The encumbrance method of accounting, which records commitments such as purchase orders and contracts as a charge against the current year's budget in addition to expenditures made or accrued, is utilized. The cash basis of accounting, however, is followed for recording the Township's share of contributions for fringe benefits, such as retirement plans, accrued sick leave and vacation leave.

Appropriation reserves are recorded at December 31 for unexpended appropriation balances except for amounts which, according to state statutes, may be cancelled by the governing body. The appropriation reserves are available to satisfy specific claims, commitments or contracts incurred during the preceding fiscal year. At the end of the succeeding fiscal year, the remaining unexpended balances lapse to fund balance through other credits to revenue.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

C. Measurement Focus, Basis of Accounting and Basis of Presentation (continued)

Had the Township's financial statements been prepared under generally accepted accounting principles, the encumbrance method of accounting would be followed for expenditures presently reflected on a paid or charged basis, appropriation reserves would not be recorded, revenues susceptible to accrual would have been reflected without offsetting reserves and inventories would not be reflected as expenditures at the time of purchase.

Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with generally accepted accounting principles.

D. Budgets and Budgetary Accounting

An annual budget is required to be adopted and integrated into the accounting system to provide budgetary control over revenues and expenditures. Budget amounts presented in the accompanying financial statements represent amounts adopted by the Township and approved by the State Division of Local Government Services in accordance with N.J.S.A. 40A:4 et seq.

E. Grants

Current Fund - State and federal grants and assistance awards made on the basis of entitlement periods are recorded as revenues when entitlement occurs.

Trust Fund - State and federal grants and assistance awards are dedicated by rider in the Trust Fund. A receivable and corresponding spending reserve are recorded when the grant is awarded.

Capital Fund - State and federal grants and assistance awards are recorded as a funding source for improvement authorizations or are established as receivables with an offsetting reserve.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

F. Assessment and Collection of Property Taxes

New Jersey statutes require that taxable valuation of real property be prepared by the local unit tax assessor as of October 1 in each year and filed with the County Board of Taxation by January 10 of the following year. Upon the filing of certified adopted budgets by the Local Unit, Local School District, County and Special Districts, the tax rate is struck by the County Tax Board based on the certified amounts in each of the taxing districts for collection to fund the budgets. Pursuant to statute, this process is to be completed on or before May 20, with a completed duplicate of the tax rolls to be delivered to the Local Unit Tax Collector on or before June 3. New Jersey statutes require that each local unit provide for sufficient anticipated cash receipts equal to the "lawful yearly expenditure" which includes the total amount of property taxes to be raised by the local unit.

Taxes are levied on an annual basis and are due quarterly on February 1, May 1, August 1, and November 1. Any taxes not paid as of December 31 are subject to tax sale and lien in the subsequent year, with the exception of bankruptcies. The date of tax sale is at the discretion of the tax collector.

G. Foreclosed Property

Real property acquired for taxes is recorded in the Current Fund at assessed valuation when such property is acquired and is fully reserved.

H. Interfund Receivables

Interfund receivables created by cash transfers from the Current Fund are recorded with offsetting reserves created by charges to operations. Income is recognized in the year the receivables are liquidated. Interfund receivables in other funds are not offset by reserves.

I. Deferred Charges to Future Taxation Funded and Unfunded

Upon the authorization of capital projects, the Township establishes deferred charges for the costs of the capital projects to be raised by future taxation. Funded deferred charges relate to permanent debt issued, whereas unfunded deferred charges relate to temporary or non-funding of the authorized cost of capital projects. According to N.J.S.A. 40A:2-4, the Township may levy taxes on all taxable property within the local unit to repay the debt. Annually, the Township raises the debt requirements for that particular year in the Current Fund budget. As funds are raised, the deferred charges are reduced.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

J. Pension Plans

Substantially, all Township employees participate in the Public Employees' Retirement System ("PERS") and the Police and Firemen's Retirement System ("PFRS"). The Division of Pensions within the Treasury Department of the State of New Jersey is the administrator of the funds and charges municipalities annually for their respective contributions. The plans provide retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries. The plans are cost-sharing multiple-employer defined benefit plans and, as such, do not maintain separate records for each municipality in the state and, therefore, the actuarial data for the Township is not available. The Division of Pensions issues publicly available financial reports for each of the plans that include financial statements and required supplementary information. The reports may be obtained by writing the State of New Jersey, Division of Pensions.

Covered employees are required by State statute to contribute a certain percentage of their salary to the plan. Each member's percentage is based on age determined at the effective date of enrollment. In addition, PERS and PFRS bill the Township annually at an actuarially determinable rate for its required contribution. The current rate is 6.78% for PERS and 10.0% for PFRS of annual covered payroll.

<u>Year</u>	<u>PERS</u>	<u>PFRS</u>
2013	\$ 1,132,391.47	\$ 1,295,198.00
2012	1,076,488.00	1,266,134.00
2011	1,098,078.00	1,684,722.00

K. Volunteer Length of Service Award Plan

The Township has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Township's volunteer First Aid squad. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,150.00 per year of active emergency service, commencing with the year 2005.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2005.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

K. Volunteer Length of Service Award Plan (continued)

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Estimated Cost - The estimated cost of the program to the Township has been calculated to be approximately \$78,200.00 per year. (This amount may vary annually, however, based upon the total number of eligible active volunteer members at the time the program was established).

L. Deposits and Investments

Deposits

New Jersey statutes permit the deposit of public funds in institutions located in New Jersey which are insured by the Federal Deposit Insurance Corporation ("FDIC"), or by any other agencies of the United States that insure deposits, the State of New Jersey Cash Management Fund and government money market mutual funds through registered broker/dealers and banks. The New Jersey Governmental Unit Deposit Protection Act ("GUDPA") requires public depositories to maintain collateral for deposit of public funds that exceed insurance limits as follows:

The market value of the collateral must equal 5 percent of the average daily balance of public funds; or

If the public funds deposited exceed 75 percent of the capital funds of the depository, the depository must provide collateral having a market value equal to 100 percent of the amount exceeding 75 percent.

All collateral must be deposited with the Federal Reserve Bank, the Federal Home Loan Bank Board or a banking institution that is a member of the Federal Reserve System and has capital funds of not less than \$25,000,000. The State of New Jersey Cash Management Fund is authorized by statute and regulations of the State Investment Council to invest in fixed income and debt securities which mature within one year. Collateralization of Fund investments is generally not required.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments

New Jersey statutes establish the following securities as eligible for the investment of Township funds:

- (a) Bonds or other obligations of the United States or obligations guaranteed by the United States.
- (b) Government Money Market Mutual Funds.
- (c) Any obligation that a federal agency or a federal instrumentality has issued in accordance with an Act of Congress, which security has a maturity date not greater than 397 days from the date of purchase, provided that such obligation bears a fixed rate of interest not dependent on any index or other external factor.
- (d) Bonds or other obligations of the Township, or bonds or other obligations of school districts of which the Township is a part or within which the school district is located.
- (e) Bonds or other obligations, having a maturity date of not more than 397 days from the date of purchase that are approved by the New Jersey Department of Treasury Division of Investments.
- (f) Local Government Investment Pools.
- (g) Deposits with the State of New Jersey Cash Management Fund established pursuant to Section 1 of P.L. 1977, C. 281 (C.52:18A:90.4).

Repurchase agreements (15.1(a) (8)) must comply with the following conditions:

- (a) The underlying securities are permitted investments, pursuant to the list contained in (a) and (c) above.
- (b) The custody of the collateral is transferred to a third party. This means the bank must contract with a trusted third party to hold the collateral to ensure it is not pledged against any other investments.
- (c) The maturity of the agreement is not more than 30 days.
- (d) The underlying securities are purchased through a GUDPA bank.
- (e) A master repurchase agreement providing for the custody and security of collateral is executed.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

L. Deposits and Investments (continued)

Investments (continued)

Local Government Investment Pools ("LGIP") (15.1(e) (2)) are subject to the following requirements:

- (a) It is managed in accordance with the SEC's government money market rules (2a-7).
- (b) It is rated in the highest category by a nationally recognized statistical rating organization.
- (c) Have their portfolio limited to U.S. Government securities as defined in 2a-7 and repurchase agreements that are collateralized by such U.S. Government securities.

Every local unit must have a Cash Management Plan ("Plan"); the Plan is subject to audit. In addition, when the Plan permits investments for more than one year, the investment must approximate the prospective use of funds. This primarily relates to U.S. securities and local bond issue purchases. The law also requires that cash management plans provide for the CFO to give the governing body a monthly report that summarizes:

- (a) All investments made or redeemed over the past month.
- (b) Each organization holding local unit funds.
- (c) The amount of securities purchased or sold, class or type of securities purchased, book value, earned income, fees incurred, and market value of all investments as of the report date.
- (d) Other information that may be required by the governing body.

The Township is permitted to invest public funds in accordance with N.J.S.A. 40A:5-15.1. These investments include bonds or other obligations of the United States or obligations guaranteed by the United States, Government Money Market Mutual Funds, bond or other obligations of the Township or bonds or other obligations of the school district, local government investment pools, and agreements for the repurchase of fully-collateralized securities, if purchased in accordance with N.J.S.A. 40A:5-15.1. The Township is also permitted to invest Length of Service Award Program ("LOSAP") funds with the types of eligible investments authorized in N.J.A.C. 5:30-14.19. These investments include interest-bearing accounts or securities in which savings banks of New Jersey are authorized to invest their funds, New Jersey Cash Management Fund, fixed and variable individual or group annuity contracts, mutual fund shares or fixed and variable life insurance contracts.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

1. Summary of Significant Accounting Policies (continued)

M. Inventories of Supplies

The costs of inventories of supplies for all funds are recorded as expenditures at the time the individual items are purchased. The costs of inventories are not included on the various balance sheets.

N. Landfill Tax Escrow - Trust Fund

The Landfill Tax Escrow account was created in accordance with the provisions of the Sanitary Landfill Facility Closure and Contingency Fund Act P.L. 1981, C306. The account is overseen by the State of New Jersey, Department of Environmental Protection, Division of Solid and Hazardous Waste. The funds are to be used exclusively for the closure and post-closure care of the Township landfill in accordance with the approved Closure and Post-Closure Plan. Expenditures can only be made from the Fund upon the approval of the Department of Environmental Protection.

O. Reserve for Recreation Assessment - Trust Fund

The Township charges developers a fee created by ordinance to fund current and future recreation facilities. The funds are held in the Trust Fund and may only be utilized through appropriation in the Current Fund budget or by creation of a capital ordinance.

P. Reserve for Storm Water Management Assessment - Trust Fund

The Township charges developers a fee created by ordinance for the maintenance of the underground storm water discharge system. These funds are held within the Township's Trust Fund and may only be utilized by a budget appropriation in the Current Fund or by capital ordinance.



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

2. Deposits and Investments

Deposits

The carrying amount of the Township's cash and cash equivalents at December 31, 2013 was \$27,315,459.50 and the bank balance was \$27,895,547.04. Of the bank balance, \$1,250,000.00 was covered by federal depository insurance, \$8,946.73 was on deposit with the New Jersey Cash Management Fund and \$4,322,669.49 was on deposit with the New Jersey Asset and Rebate Management Program, both being local government investment pools which invest in repurchase agreements collateralized by U.S. Securities, U.S. Government Agency Discount Notes and U.S. Government Agency Securities, and the remaining \$22,313,930.82 was covered under the unit certificate of eligibility as required by New Jersey Statutes.

<u>Depository Account</u>	<u>2013</u>	<u>Bank Balance</u> <u>2012</u>
Insured:		
FDIC	\$ 1,250,000.00	\$ 1,242,691.96
Collateralized:		
GUDPA	<u>22,313,930.82</u>	<u>27,154,684.73</u>
	<u>\$ 23,563,930.82</u>	<u>\$ 28,397,376.69</u>

New Jersey Cash Management Fund/NJARM

All investments in the Fund are governed by the regulations of the Investment Council which prescribes standards designed to insure the quality of investments and to minimize the risks related to investments. To date, the Fund has never defaulted on principal or interest on any short term security held by its participants. Further, a reserve is being accumulated as additional protection for other than State participants. Finally, the Council monitors eligible securities on a regular basis. As of December 31, 2013, the Township had \$8,946.73 on deposit with the New Jersey Cash Management Fund and \$4,322,669.49 on deposit with the New Jersey Asset Management Program ("NJARM"). Both the New Jersey Cash Management Fund and NJARM are local investment pools which invest in repurchase agreements collateralized by U.S. Securities, U.S. Government Agency Discount Notes, and U.S. Government Agency Securities. The deposit with NJARM is available for withdrawal upon notice given by 11:00 am EST on each business day and is accordingly classified as a cash equivalent.

Custodial Credit Risk - Deposits

Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it. The Township does not have a formal policy for custodial credit risk. As of December 31, 2013, the Township's bank balance was not exposed to custodial credit risk.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

2. Deposits and Investments (continued)

Investments

As of December 31, 2013 and 2012, the Township had the following investments:

<u>Investments</u>	<u>Fair Value</u>	<u>Book Value</u>
2013:		
LOSAP	<u>\$ 875,033.41</u>	<u>\$ 875,033.41</u>
2012:		
LOSAP	<u>\$ 692,045.22</u>	<u>\$ 692,045.22</u>

Interest Rate Risk

LOSAP investment options are at the discretion of each individual participant and not the Township.

Credit Risk

State law limits investments as noted above.

The fair value of the above-listed investments was based on quoted market prices.

During the year, the Township had none of its idle funds invested in repurchase agreements collateralized by eligible securities. At the close of the year, no such investments were held by the Township.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

3. Taxes, Water/Sewer Utility Receivables

Taxes

Taxes Receivable as of December 31, 2013 consist of the following:

<u>2013</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 559,575.09	\$ 17,347.79	\$ 104,554.96	\$ 681,477.84

In 2013, the Township collected \$935,647.41 from Delinquent Taxes and Liens, which represented 87.74% of the Delinquent Tax Receivable at December 31, 2012.

Taxes Receivable as of December 31, 2012 consist of the following:

<u>2012</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 913,609.34	\$ 33,903.54	\$ 118,833.01	\$1,066,345.89

In 2012, the Township collected \$848,940.32 from Delinquent Taxes and Liens, which represented 89.22% of the Delinquent Tax Receivable at December 31, 2011.

Water/Sewer Utility

Water/Sewer Rents Receivable as of December 31, 2013 consist of the following:

<u>2013</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 176,020.25	\$ 5,216.17	\$ 17,242.25	\$ 198,478.67

In 2013, the Township collected \$289,680.28 from Water/Sewer Rents, which represented 92.80% of the Water/Sewer Rents Receivable at December 31, 2012.

Water/Sewer Rents Receivable as of December 31, 2012 consist of the following:

<u>2012</u>	<u>Current</u>	<u>Delinquent</u>	<u>Liens</u>	<u>Total</u>
	\$ 294,769.66	\$ 2,418.54	\$ 14,950.50	\$ 312,138.70

In 2012, the Township collected \$222,369.15 from Water/Sewer Rents, which represented 92.73% of the Water/Sewer Rents Receivable at December 31, 2011.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

4. Fixed Assets and Fixed Capital

The following is a summary of changes in the General Fixed Assets Account Group for the years 2013 and 2012.

<u>2013</u>	Balance, December 31, <u>2012</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2013</u>
Land	\$ 20,152,797.61	\$ -	\$ -	\$ 20,152,797.61
Buildings and Improvements	12,574,842.35	-	472,526.00	12,102,316.35
Machinery and Equipment	<u>18,482,260.93</u>	<u>204,570.00</u>	<u>2,694,605.40</u>	<u>15,992,225.53</u>
Total	<u>\$ 51,209,900.89</u>	<u>\$ 204,570.00</u>	<u>\$3,167,131.40</u>	<u>\$ 48,247,339.49</u>

<u>2012</u>	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2012</u>
Land	\$ 20,152,797.61	\$ -	\$ -	\$ 20,152,797.61
Buildings and Improvements	12,574,842.35	-	-	12,574,842.35
Machinery and Equipment	<u>16,630,088.07</u>	<u>1,852,172.86</u>	<u>-</u>	<u>18,482,260.93</u>
Total	<u>\$ 49,357,728.03</u>	<u>\$ 1,852,172.86</u>	<u>\$ -</u>	<u>\$ 51,209,900.89</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

4. Fixed Assets and Fixed Capital (continued)

The following is a summary of changes in the Water/Sewer Utility Fixed Capital for the years 2013 and 2012.

<u>2013</u>	Balance, December 31, <u>2012</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2013</u>
Land	\$ 3,222,734.82	\$ -	\$ -	\$ 3,222,734.82
Buildings and Improvements	3,201,100.59	-	-	3,201,100.59
Improvements Other Than Buildings	131,643,223.48	611,823.65	-	132,255,047.13
Machinery and Equipment	3,703,570.80	7,364.81	-	3,710,935.61
Furniture and Fixtures	240,006.00	-	-	240,006.00
Soft Costs	<u>366,886.90</u>	<u>-</u>	<u>-</u>	<u>366,886.90</u>
Total	<u>\$142,377,522.59</u>	<u>\$ 619,188.46</u>	<u>\$ -</u>	<u>\$ 142,996,711.05</u>

<u>2012</u>	Balance, December 31, <u>2011</u>	<u>Additions</u>	<u>Retirements</u>	Balance, December 31, <u>2012</u>
Land	\$ 3,222,734.82	\$ -	\$ -	\$ 3,222,734.82
Buildings and Improvements	3,201,100.59	-	-	3,201,100.59
Improvements Other Than Buildings	130,393,246.32	1,249,977.16	-	131,643,223.48
Machinery and Equipment	3,590,446.88	113,123.92	-	3,703,570.80
Furniture and Fixtures	240,006.00	-	-	240,006.00
Soft Costs	<u>366,886.90</u>	<u>-</u>	<u>-</u>	<u>366,886.90</u>
Total	<u>\$141,014,421.51</u>	<u>\$ 1,363,101.08</u>	<u>\$ -</u>	<u>\$ 142,377,522.59</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt

The Township's long-term debt consisted of the following at December 31, 2013:

General Capital Bonds

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2013</u>
2003 General Obligation Refunding Bonds	04/01/03	\$ 985,000.00	6.650%	\$ 985,000.00
2004 General Improvement Refunding Bonds	05/01/04	5,745,000.00	4.000-4.125%	1,645,000.00
2005 General Improvement Bonds	07/01/05	11,646,000.00	4.000-5.000%	6,191,000.00
2005 General Obligation Refunding Bonds	09/01/05	14,225,000.00	4.000-4.500%	10,755,000.00
2008 General Improvement Bonds	08/26/08	19,200,000.00	4.000-4.500%	15,600,000.00
2011 General Improvement Refunding Bonds	01/27/11	5,685,000.00	3.000-4.000%	3,215,000.00
2011 General Improvement Bonds	05/24/11	8,850,000.00	3.000-4.500%	8,380,000.00
2012 General Improvement Bonds	05/22/12	7,965,000.00	2.000-3.500%	<u>7,715,000.00</u>
				<u>\$ 54,486,000.00</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

The Township has received loans from the State of New Jersey, Department of Environmental Protection under the Green Acres Trust Program as follows:

		<u>Original Loan Amount</u>	<u>Annual Payment</u>	<u>Final Payment</u>
1995	Green Acres Trust	\$ 348,000.00	\$ 21,639.75	12/10/14
2000	Green Acres Trust	840,000.00	52,233.88	04/30/19
2001	Green Acres Trust	70,444.22	4,380.45	11/17/20
2001	Green Acres Trust	380,000.00	23,629.62	01/20/21
2001	Green Acres Trust	1,500,000.00	93,274.78	02/04/21
2001	Green Acres Trust	500,000.00	31,091.59	07/20/21
2001	Green Acres Trust	250,000.00	15,545.79	07/20/21
2002	Green Acres Trust	500,000.00	32,468.04	06/25/21
2002	Green Acres Trust	500,000.00	31,091.60	06/25/22
2006	Green Acres Trust	<u>500,000.00</u>	<u>31,091.60</u>	08/27/26
		<u>\$ 5,388,444.22</u>	<u>\$ 336,447.10</u>	

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

Debt service requirements for bonds as of December 31 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 4,580,000.00	\$ 2,125,807.52	\$ 6,705,807.52
2015	4,715,000.00	1,949,645.02	6,664,645.02
2016	4,845,000.00	1,760,745.02	6,605,745.02
2017	4,495,000.00	1,564,551.26	6,059,551.26
2018	3,740,000.00	1,394,151.26	5,134,151.26
2019-23	17,026,000.00	4,876,251.30	21,902,251.30
2024-28	12,520,000.00	1,966,711.88	14,486,711.88
2029-33	<u>2,565,000.00</u>	<u>221,853.75</u>	<u>2,786,853.75</u>
	<u>\$ 54,486,000.00</u>	<u>\$ 15,859,717.01</u>	<u>\$ 70,345,717.01</u>

General Capital Loans

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 292,387.54	\$ 44,059.56	\$ 336,447.10
2015	276,516.58	38,290.76	314,807.34
2016	282,074.55	32,732.79	314,807.34
2017	287,744.27	27,063.11	314,807.38
2018	293,527.90	21,279.44	314,807.34
2019-23	753,365.57	35,815.41	789,180.98
2024-26	<u>90,095.29</u>	<u>3,179.47</u>	<u>93,274.76</u>
	<u>\$ 2,275,711.70</u>	<u>\$ 202,420.54</u>	<u>\$ 2,478,132.24</u>

In addition to the above capital loans, the Township has a Green Acres loan for \$250,000.00 for which the final amortization schedule has not been prepared. The Township also has two loans through NJEIT Barnaget Bay Funding that are eligible for 100% principal forgiveness totaling \$1,217,756.00.



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

Water and Sewer Utility Bonds

<u>Purpose</u>	<u>Date of Issue</u>	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2013</u>
2005 Water and Sewer Bonds	07/01/05	\$ 10,151,000.00	3.000-5.000%	\$ 7,696,000.00
2008 Water and Sewer Bonds	08/26/08	12,800,000.00	4.000-4.500%	10,470,000.00
2009 Water and Sewer Bonds	03/12/09	9,345,000.00	2.500-5.000%	4,695,000.00
2009 Water and Sewer Bonds	04/28/09	2,890,000.00	2.000-5.000%	645,000.00
2011 Water and Sewer Bonds	01/27/11	1,440,000.00	3.000-4.000%	990,000.00
2011 Water and Sewer Bonds	05/24/11	5,900,000.00	3.000-4.500%	5,570,000.00
2012 Water and Sewer Bonds	05/22/12	4,035,000.00	2.000-3.500%	<u>3,925,000.00</u>
				<u>\$ 33,991,000.00</u>

The Township has Water and Sewer Loans outstanding for the following programs:

<u>Program</u>	<u>Original Issue</u>	<u>Final Payment</u>
NJ Environmental Infrastructure Trust Loan	\$ 2,185,000.00	06/01/20
NJ Environmental Infrastructure Fund Loan	2,183,651.00	06/01/20
NJ Environmental Infrastructure Trust Loan	5,295,000.00	08/01/25
NJ Environmental Infrastructure Fund Loan	4,895,597.00	08/01/24
NJ Environmental Infrastructure Trust Loan	3,075,000.00	08/01/26
NJ Environmental Infrastructure Fund Loan	3,026,741.00	08/01/24
NJ Environmental Infrastructure Trust Loan	4,425,000.00	08/01/27
NJ Environmental Infrastructure Fund Loan	4,361,085.00	08/01/24
NJ Environmental Infrastructure Trust Loan	2,295,000.00	08/01/28
NJ Environmental Infrastructure Fund Loan	2,263,923.00	08/01/28
NJ Environmental Infrastructure Trust Loan	100,180.18	08/01/29
NJ Environmental Infrastructure Fund Loan	288,693.00	08/01/29
NJ Environmental Infrastructure Trust Loan	1,405,000.00	08/01/29
NJ Environmental Infrastructure Fund Loan	<u>4,221,645.00</u>	08/01/29
	<u>\$40,021,515.18</u>	

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

Debt service requirements for bonds as of December 31 are as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 2,420,000.00	\$ 1,279,406.26	\$ 3,699,406.26
2015	2,025,000.00	1,205,068.76	3,230,068.76
2016	2,090,000.00	1,129,543.76	3,219,543.76
2017	2,165,000.00	1,051,112.50	3,216,112.50
2018	2,045,000.00	972,750.00	3,017,750.00
2019-23	10,600,000.00	3,632,862.52	14,232,862.52
2024-28	9,595,000.00	1,612,842.52	11,207,842.52
2029-32	<u>3,051,000.00</u>	<u>172,935.00</u>	<u>3,223,935.00</u>
	<u>\$ 33,991,000.00</u>	<u>\$ 11,056,521.32</u>	<u>\$ 45,047,521.32</u>

Water and Sewer Loans

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2014	\$ 1,956,031.91	\$ 575,592.76	\$ 2,531,624.67
2015	1,994,467.81	535,218.66	2,529,686.47
2016	2,035,009.59	492,732.40	2,527,741.99
2017	2,079,070.41	448,103.90	2,527,174.31
2018	2,109,938.46	402,929.69	2,512,868.15
2019-23	10,422,579.20	1,308,075.86	11,730,655.06
2024-28	4,495,299.51	278,753.34	4,774,052.85
2029	<u>109,893.32</u>	<u>4,200.00</u>	<u>114,093.32</u>
	<u>\$ 25,202,290.21</u>	<u>\$ 4,045,606.61</u>	<u>\$ 29,247,896.82</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

Changes in Outstanding Long-Term Debt

Transactions for the year ended December 31, 2013 are summarized as follows:

	Balance, December 31, <u>2012</u>	<u>Additions</u>	<u>Deductions</u>	Balance, December 31, <u>2013</u>
<u>General Capital Fund</u>				
Bonds Payable	\$ 58,926,000.00	\$ -	\$ 4,440,000.00	\$ 54,486,000.00
Loans Payable	<u>2,828,584.95</u>	<u>1,217,756.00</u>	<u>302,873.25</u>	<u>3,743,467.70</u>
	<u>61,754,584.95</u>	<u>1,217,756.00</u>	<u>4,742,873.25</u>	<u>58,229,467.70</u>
 <u>Water/Sewer Utility</u> <u>Capital Fund</u>				
Bonds Payable	36,561,000.00	-	2,570,000.00	33,991,000.00
Loans Payable	<u>27,102,156.11</u>	<u>-</u>	<u>1,899,865.90</u>	<u>25,202,290.21</u>
	<u>63,663,156.11</u>	<u>-</u>	<u>4,469,865.90</u>	<u>59,193,290.21</u>
Totals	<u>\$125,417,741.06</u>	<u>\$ 1,217,756.00</u>	<u>\$ 9,212,739.15</u>	<u>\$ 117,422,757.91</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

Summary of Municipal Debt (Excluding Current  
and Operating Debt and Type I School Debt)

	<u>2013</u>	<u>2012</u>	<u>2011</u>
<u>Issued</u>			
General:			
Bonds, Notes and Loans	\$ 66,690,417.70	\$ 67,872,284.95	\$ 69,781,776.41
Water/Sewer Utility Fund	<u>62,637,090.21</u>	<u>65,971,956.11</u>	<u>69,346,108.68</u>
	129,327,507.91	133,844,241.06	139,127,885.09
Less: Funds to Pay Bonds, Notes and Loans	<u>21,383,320.00</u>	<u>1,124,750.00</u>	<u>992,448.00</u>
Net Debt Issued	<u>107,944,187.91</u>	<u>132,719,491.06</u>	<u>138,135,437.09</u>
<u>Authorized But Not Issued</u>			
General:			
Bonds and Notes	26,110,750.00	1,981,250.00	1.00
Water/Sewer Utility Fund	<u>1,710,000.00</u>	<u>-</u>	<u>-</u>
Total Authorized But Not Issued	<u>27,820,750.00</u>	<u>1,981,250.00</u>	<u>1.00</u>
Net Bonds and Notes Issued and Authorized But Not Issued	<u>\$ 135,764,937.91</u>	<u>\$ 134,700,741.06</u>	<u>\$ 138,135,438.09</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

5. Long-Term Debt (continued)

Summary of Statutory Debt Condition - Annual Debt Statement

The summarized statement of debt condition which follows is prepared in accordance with the required method of setting up the Annual Debt Statement and indicates a statutory net debt of 1.679%.

	<u>Gross Debt</u>	<u>Deductions</u>	<u>Net Debt</u>
Regional District School Debt	\$ 1,013,032.43	\$ 1,013,032.43	\$ -
Local District School Debt	15,174,000.00	15,174,000.00	-
Water/Sewer Utility	64,347,090.21	64,347,090.21	-
General Debt	<u>92,801,167.70</u>	<u>21,383,320.00</u>	<u>71,417,847.70</u>
	<u>\$ 173,335,290.34</u>	<u>\$101,917,442.64</u>	<u>\$ 71,417,847.70</u>

Net Debt \$ 71,417,847.72 divided by Equalized Valuation Basis per N.J.S.A. 40A:2-2 as amended, \$ 4,253,329,958.67 = 1.679%.

Borrowing Power Under N.J.S. 40A:2-6 as Amended

3.5% of Equalized Valuation Basis (Municipal)	\$ 148,866,548.55
Less: Net Debt	<u>71,417,847.70</u>
Remaining Borrowing Power	<u>\$ 77,448,700.85</u>

Calculation of "Self-Liquidating Purpose" - Water/Sewer Utility per N.J.S. 40A:2-45

Cash Receipts From Fees, Rents or Other Charges for the Year	\$ 15,029,649.53
Deductions:	
Operating and Maintenance Costs	\$ 7,654,980.11
Debt Service per Water/Sewer Account	<u>6,412,190.12</u>
	<u>14,067,170.23</u>
Excess in Revenue	<u>\$ 962,479.30</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

6. Bond Anticipation Notes

The Township issues bond anticipation notes to temporarily fund various capital projects prior to the issuance of serial bonds. The term of the notes cannot exceed one year but the notes may be renewed from time to time for a period not exceeding ten years. All such notes must be paid no later than the tenth anniversary of the date of the original note. The State of New Jersey also prescribes that, on or before the third anniversary date of the original note, a payment of an amount at least equal to the first legally payable installment of the bonds in anticipation of which such notes were issued be paid or retired. Legal installments must be paid if the notes are to be renewed beyond the fourth anniversary date of the original issuance.

On December 31, 2013, the Township's outstanding bond anticipation notes were as follows:

<u>General Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Improvements to Various Parks	05/20/13	05/19/14	\$ 100,000.00	1.0000%
Construction of Vehicle Wash Facility	05/20/13	05/19/14	355,100.00	1.0000%
Police Radio Upgrade – Phase 2	05/20/13	05/19/14	327,027.00	1.0000%
Acquisition of Police Equipment	05/20/13	05/19/14	56,468.00	1.0000%
Acquisition of Computer Equipment	05/20/13	05/19/14	65,930.00	1.0000%
Improvements to Ambulances	05/20/13	05/19/14	142,500.00	1.0000%
Improvements to Ambulances	05/20/13	05/19/14	57,000.00	1.0000%
Improvements to Municipal Buildings	05/20/13	05/19/14	31,350.00	1.0000%
Acquisition of DPW Equipment	05/20/13	05/19/14	715,825.00	1.0000%
Various Roadway Improvements	05/20/13	05/19/14	1,300,000.00	1.0000%
Acquisition of DPW Equipment	05/20/13	05/19/14	897,750.00	1.0000%
Various Roadway Improvements	05/20/13	05/19/14	1,045,000.00	1.0000%
Purchase of PD Equipment	05/20/13	05/19/14	95,000.00	1.0000%
Township Radio System Upgrade	05/20/13	05/19/14	736,250.00	1.0000%
Purchase of Computer Equipment	05/20/13	05/19/14	95,000.00	1.0000%
Various Improvements to Parks	05/20/13	05/19/14	118,750.00	1.0000%
Various Improvements/Equipment	12/12/13	05/19/14	2,322,000.00	1.0000%
			<u>\$ 8,460,950.00</u>	

<u>Water/Sewer Utility Capital Fund</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Amount</u>	<u>Interest Rate</u>
Various Water/Sewer Improvements	05/20/13	05/19/14	\$ 755,250.00	1.0000%
Purchase of Various W/S Equipment	05/20/13	05/19/14	432,250.00	1.0000%
Route 9/Oak Avenue Water Main Loop	05/20/13	05/19/14	2,200.00	1.0000%
Various Water System Improvements	05/20/13	05/19/14	320,000.00	1.0000%
Various Water Main Improvements	05/20/13	05/19/14	799,100.00	1.0000%
Emergency Replace Pump Stations	12/12/13	05/19/14	1,135,000.00	1.0000%
			<u>\$ 3,443,800.00</u>	

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

6. Bond Anticipation Notes (continued)

Changes in Outstanding Short-Term Debt

Transactions for the year ended December 31, 2013 are summarized as follows:

	Balance, December 31, <u>2012</u>	<u>Additions</u>	<u>Deductions</u>	Balance, December 31, <u>2013</u>
General Capital Fund	\$ 6,117,700.00	\$2,393,250.00	\$ 50,000.00	\$ 8,460,950.00
Water/Sewer Utility Fund	<u>2,308,800.00</u>	<u>1,135,000.00</u>	<u>0.00</u>	<u>3,443,800.00</u>
	<u>\$ 8,426,500.00</u>	<u>\$3,528,250.00</u>	<u>\$ 50,000.00</u>	<u>\$11,904,750.00</u>

7. Bonds and Notes Authorized But Not Issued

At December 31, 2013, the Township had authorized but not issued bonds and notes in the General Capital Fund in the amount of \$26,110,750.00 and in the Water/Sewer Utility Capital Fund in the amount of \$1,710,000.00.

8. Local District School and Regional High School Taxes

Regulations provide for deferral of not more than 50% of the annual levy when school taxes are raised for a school year and have not been requisitioned by the school district.

The Township has elected to defer school taxes as follows:

	<u>Local District School Tax</u>		<u>Regional High School Tax</u>	
	<u>2013</u>	<u>2012</u>	<u>2013</u>	<u>2012</u>
Balance of Tax	\$ 12,908,944.50	\$13,087,741.00	\$ 4,296,698.00	\$ 4,679,234.88
Deferred	<u>11,292,290.00</u>	<u>11,292,290.00</u>	<u>4,138,088.13</u>	<u>4,138,088.13</u>
Tax Payable	<u>\$ 1,616,654.50</u>	<u>\$ 1,795,451.00</u>	<u>\$ 158,609.87</u>	<u>\$ 541,146.75</u>

9. Fund Balance Appropriated

Current Fund

The fund balance at December 31, 2013 was \$2,936,825.62 of which \$2,500,000.00 was appropriated and included as anticipated revenue for the year ended December 31, 2014.

Water/Sewer Utility Operating Fund

The fund balance at December 31, 2013 was \$483,974.52 of which \$0.00 was appropriated and included as anticipated revenue for the year ended December 31, 2014.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

10. Deferred Charges to be Raised in Succeeding Years' Budgets

Certain expenditures are required to be deferred to budgets of succeeding years. At December 31, 2013, the following deferred charges are shown on the Balance Sheets:

Current Fund

Future Taxation Unfunded - CDL	\$ 2,000,000.00
Special Emergency Authorization	<u>1,255,000.00</u>
Total	<u>\$ 3,255,000.00</u>

11. Accrued Sick and Vacation Benefits - Unaudited

As discussed in Note 1 and in accordance with accounting principles prescribed by the State of New Jersey, the cash basis of accounting is followed for recording the Township's liability related to unused vacation and sick pay. The Township permits its employees to accumulate unused vacation and sick pay, which may be taken as time off or paid at a later date at an agreed-upon rate. Effective for financial statements dated December 31, 1987, the state has required all municipalities to disclose the estimated current cost of unused sick and vacation benefits at year-end. The Township estimated the current cost of such unpaid compensation would be \$2,913,527.71 at December 31, 2013. In accordance with New Jersey principles, this amount is not reported as an expenditure or liability in the accompanying financial statements. The Township has a trust reserve for accumulated absence liabilities in the amount of \$454,349.57 and \$413,106.81 at December 31, 2013 and 2012.

12. Post-Employment Healthcare Benefits

Plan Description

In addition to the pension benefits as described in Note 1, the Township provides for health benefits as follows:

Effective January 1, 2009, the Township is a member of the State Health Benefits Program (SHBP). The SHBP is a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the State of New Jersey Division of Pensions. SHBP was established in 1961 under N.J.S.A. 52:14-17.25 et.seq. to provide health benefits to State employees, retirees, and their dependents. Rules governing the operation and administration of the program are found in Title 17, Chapter 9 of the New Jersey Administrative Code. SHBP provides medical, prescription drugs, mental health/substance abuse, and Medicare Part B reimbursement to retirees and their covered dependents.



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

12. Post-Employment Healthcare Benefits (continued)

The SHBP was extended to employees, retirees, and dependents of participating local public employers in 1964. Local employers must adopt a resolution to participate in SHBP. All employees of the Township who have completed twenty-five (25) years of active service or are eligible for disability retirement under the Public Employees' Retirement System or the Police and Firemen's Retirement System will be provided hospitalization and medical coverage.

The State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, issues publicly available financial reports that include the financial statements and required supplementary information of SHBP, as well as the actuarial valuation of the plan in accordance with Governmental Accounting Standards Board Statement 45. These financial reports may be obtained by writing to the State of New Jersey, Department of the Treasury, Division of Pensions and Benefits, P.O. Box 295, Trenton, New Jersey 08625-0295. They are also available on the state's web site at [www.state.nj.us/treasury/pensions](http://www.state.nj.us/treasury/pensions).

Funding Policy

Participating employers are contractually required to contribute based on the amount of premiums attributable to their retirees. Post-employment health benefits under the plan have been funded on a pay-as-you go basis since 1994. Prior to 1994, medical benefits were funded on an actuarial basis.

Contributions to pay for health premiums of participating retirees in the SHBP are billed to the Township on a monthly basis. The Township currently contributes on a pay-as-you go basis based upon monthly invoices from the State of New Jersey Division of Pensions. Employees are not required to contribute. Contributions to the plan for the last two years and the number of former employees eligible for and participating in the post-employment health care benefits program as of the respective year ended December 31 was as follows:

<u>Year</u>	<u>Contribution</u>	<u>Number of Employees</u>
2013	\$ 1,680,277.46	97
2012	1,381,032.46	90
2011	1,212,279.33	84

13. Unemployment Compensation Insurance

Effective January 1, 1978, most municipal employees were eligible for unemployment compensation insurance (N.J.S.A. 43:21-3 et seq.). The Township has elected to provide a self-insured plan whereby the municipal cost and employee contributions are deposited in a trust fund from which claims, if any, will be paid. The Reserve for Unemployment Compensation Insurance at December 31, 2013 and 2012 totaled \$107,913.89 and \$91,703.26, respectively.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

14. Contingent Liabilities

State and Federal Grants

The Township receives financial assistance from the State of New Jersey and the U.S. government in the form of grants. Entitlement to the funds is generally conditional upon compliance with terms and conditions of the grant agreements and applicable regulations, including the expenditure of the funds for eligible purposes. Substantially all grants, entitlements and cost reimbursements are subject to financial and compliance audits by grantors. As a result of these audits, costs previously reimbursed could be disallowed and require repayment to the grantor agency. As of December 31, 2013, the Township estimates that no material liabilities will result from such audits.

15. Risk Management

The Township is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets; error and omission, injuries to employees; and natural disaster. The Township is a member of the Ocean County Municipal Joint Insurance Fund ("JIF"). The joint insurance pool is both an insured and self-administered group of 30 municipalities established for the purpose of insuring against property damage, general liability, motor vehicles and equipment liability and workmen's compensation. The JIF will be self-sustaining through member premiums. The JIF participates in the Municipal Excess Liability Insurance program which has a contract for excess liability insurance for property. The fund also purchased an excess Faithful Performance and Employee Dishonesty Bond. There were no settlements in excess of insurance coverage in 2013, 2012 and 2011.

16. Deferred Compensation Program

The Township has instituted a Deferred Compensation Plan ("Plan") pursuant to Section 457 of the Internal Revenue Code and P.L. 1977, C.381; P.L. 1978, C.39; P.L. 1980, C.78; and P.L. 1997, C.116 of the Statutes of New Jersey.

The Plan is an arrangement whereby a public employer may establish a Plan and permit its employees to voluntarily authorize a portion of their current salary to be withheld and invested in one or more of the types of investments permitted under the governing regulations.

The Township has engaged a private contractor to administer the Plan.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

17. Length of Service Award Program ("LOSAP") - Unaudited

The Township has established a Volunteer Length of Service Award Plan ("LOSAP") ("Plan") to ensure retention of the Township's volunteer Fire Department and also their First Aid Squad. The Plan shall be construed under the laws of the State of New Jersey and is established with the intent that it meets the requirements of a "length of service award plan under Section 457(e)11 of the Internal Revenue Code".

Annual Contributions - The annual contribution to be made by the Township for each active volunteer member shall be \$1,150.00 per year of active emergency service, commencing with the year 2005.

Appropriations - Appropriations for the purpose of funding the Township's LOSAP shall be included as a separate line item in the Township's budget, commencing with the year 2005.

Periodic Increases - Notwithstanding the provisions above, the annual contribution to be made by the Township for each active volunteer member shall be subject to periodic increases based upon the "consumer price index factor" pursuant to subsection f. of section 3 of P.L. 1997, c. 388 (N.J.S.A. 40A:14-185).

Criteria for Eligibility; Contributions; Points - Any active volunteer member shall eligible to participate in the LOSAP Plan immediately upon commencement of the member's performance of active voluntary services in the emergency service organization. Annual contributions shall only be made by the Township, however, for those active volunteer members who have earned the minimum number of points for performing certain volunteer services on a yearly basis.

Determination as to Eligibility - Each emergency service organization shall provide to the Township Administrator, acting as the Plan Administrator of LOSAP Plan, a certified list as to the active volunteer members who are initially eligible to participate in the Plan and those who are eligible to participate as of each January 1 thereafter. The Plan Administrator shall forward said certified list to the Township Council for approval, in accordance with the provisions of N.J.A.C. 5:30-14.10. The decision of the Township Council as to such active member's eligibility shall be binding upon the Plan Administrator, participants, beneficiaries and any and all other persons having an interest hereunder, subject to appropriate judicial review.

Terms of Participation - The Plan Administrator shall have the right to require any active volunteer member at the time of his or her becoming a participant to agree, in writing, to be bound by the terms, covenants and conditions of the LOSAP and accompanying trust. Each participant shall furnish to the Plan Administrator all pertinent information required for the administration of the LOSAP. The Plan Administrator shall rely upon all such information furnished.

Vesting - The active volunteer member shall not be permitted to receive a distribution of the fund in his or her LOSAP account until the completion of a five-year vesting period.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

17. Length of Service Award Program ("LOSAP") – Unaudited (continued)

Termination of Service - Any participant who terminates service as an active volunteer member shall cease to participate hereunder. A former participant may resume participation immediately upon returning to the service of the emergency service organization as an active volunteer member. Any active volunteer member who terminates service with the emergency service organization, subsequently returns to service and again becomes a participant shall be treated as a new participant for purposes of eligibility unless said participant was fully vested prior to his or her termination from service.

Reporting Requirements - N.J.A.C. 5:30-14.49 requires that the Township perform a separate review report of the Plan in accordance with the American Institute of Certified Public Accountants Statements for Accounting and Auditing Review Services.

18. Interfund Balances

The composition of interfund balances as of December 31, 2013 is as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Grant Fund	Current Fund	\$ 202,322.91
Current Fund	Animal Control Fund	7,816.37

All balances resulted from the time lag between the dates that (1) reimbursable expenditures occur, (2) revenues/receipts are collected, and (3) payments between funds are made.

19. Interfund Transfers

<u>Transfer In</u>	<u>Transfers Out</u>	<u>Amount</u>
Current Fund	Grant Fund	\$ 55,513.48
Animal Control Fund	Current Fund	7,816.37
Water/Sewer Utility	Water/Sewer Utility	
Capital Fund	Operating Fund	1,210,000.00

Transfers are primarily used to move funds from:

- The Current Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations or requirements as prescribed by the Division of Local Government Services, Department of Community Affairs, State of New Jersey.
- The Utility Operating Fund to the Utility Capital Fund to finance capital improvements accounted for in the Utility Capital Fund in accordance with budgetary authorizations.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

20. Super Storm Sandy

On October 29, 2012, Super Storm Sandy, then a Category 1 post-tropical cyclone, struck the southern Atlantic coast of New Jersey (the "Storm"). The resulting Storm surge and winds caused catastrophic damage to many coastal and riverfront communities, as well as widespread physical damage (including loss of electrical power and other utilities) throughout the State. In the days following the Storm, most schools and businesses – and many roads, bridges and public transportation systems – were closed.

It is not yet possible to fully estimate the economic impact of the Storm. Other consequences of the Storm, unforeseen at this time, could also have a material adverse economic impact on the Township, the State or the region. Currently, Township officials believe that the consequences of the Storm will not adversely impact the Township materially in the long term. Current estimates from the Township of damage and Storm related costs are as follows:

Assessment of Damage to Township-Owned Facilities:

- Estimated damage assessment of all Township-owned facilities and infrastructure is approximately \$1.135 million in repairs to sewer pump stations.

Debris Removal and Disposal

- Debris removal costs incurred by the Township are estimated to be \$2 million, consisting of approximately \$1 million in debris removal costs and the remainder in overtime costs and equipment repairs. The Township entered into a shared services contract with the County of Ocean for the removal of debris (estimated at a cost to the County of an additional \$14 million) after the initial costs incurred by the Township. Only a minor portion of the County's debris removal costs, after FEMA reimbursement, will be charged to the Township.

Certain expenses relating to debris removal, emergency protective measures, repairs and reconstruction of roads, bridges, utility systems and governmental buildings, and restoration of parks may be eligible for financial assistance from the Federal Emergency Management Agency ("FEMA"). FEMA has established a presence in the area, and it is expected that sufficient federal funding will be available to meet all valid claims. Some expenses are reimbursable at a 100% level while others are only reimbursable at a 90% level. Some expenses which must be paid over an extended period of time after the Storm may not be reimbursable. New Jersey law also permits governmental entities to borrow to pay for certain extraordinary expenses caused by natural disasters such as the Storm. On December 18, 2012 the Township issued \$7,000,000 of Special Emergency Note due December 17, 2013. Of this amount, \$1,135,000 was capital in nature and will be funded in the issuance of a bond anticipation note. The remaining portion will be a budgetary appropriation of at least 1/5 of the original principal amount of the Notes and must be made in each of the next five (5) succeeding annual budgets to allow the Township to finance the costs of the Notes over such period.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

20. Super Storm Sandy (continued)

Approximately 25% of all residential structures in the Township were impacted by the Storm, which equates to approximately 4,500 structures out of a total of approximately 18,000 residential dwellings. Due to various degrees of water damage, the residential/commercial structures damaged are expected to be or have been repaired or rebuilt for occupancy. (None of the top ten taxpayers in the Township incurred significant damage due to the Storm.) In 2013, the Township completed a revaluation and reassessment on all properties and the total loss in assessed valuation from 2012 to 2013 is \$778,416,560 of which \$200,359,500 is due to the Storm. The anticipated impact on the Township's revenue is a decrease of \$1,700,000. In order to offset this impact, the Township has applied for and received approval for a FEMA Community Disaster Loan in the amount of \$5 million.

21. Special Emergency Notes

To finance costs related to Super Storm Sandy, the Township originally issued \$7,000,000 in special emergency notes on December 18, 2012. On December 12, 2013, the Township reissued \$1,255,000 in special emergency notes. The notes bear interest at the rate of 1.00% per annum and mature on December 11, 2014. In addition to the \$1,173,000 raised in the 2013 municipal budget, \$135,000 in FEMA reimbursements received to date were used to pay down the principal of the special emergency notes and \$3,302,000 was cancelled. The special emergency notes were also reduced by the \$1,135,000 capital portion for which bond anticipation notes were issued in 2013.

22. Community Disaster Loan

During the year ending December 31, 2013, the Township realized \$2,000,000 as revenue in the Current Fund from the Community Disaster Loan received from the United States Department of Homeland Security, Federal Emergency Management Agency. In accordance with directives from the Division of Local Government Services, State of New Jersey, these loans were realized as revenue in 2013.

The Community Disaster Loan Program is administered by the United States Department of Homeland Security, Federal Emergency Management Agency. Loans are made to local governments in designated major disaster areas which experience significant revenue losses. As a result of Superstorm Sandy the Township was designated a major disaster area.

The Township has been approved for a total of \$5,000,000 from the Community Disaster Loan Program. In accordance with federal guidelines, the loans may be fully or partially forgiven if certain revenue criteria are met over the three years following the disaster. This closeout procedure will occur in 2016. If the criteria are not met, the loan will have to be repaid at an interest rate of 0.75%.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

NOTES TO FINANCIAL STATEMENTS

Years ended December 31, 2013 and 2012

23. Subsequent Events

On March 27, 2014, the Township issued \$10,330,000.00 in General Obligation Refunding Bonds in order to currently refund \$1,645,000.00 of the General Improvement Refunding Bonds, Series 2004, to advance refund \$4,581,000.00 of the General Improvement Bonds (Capital), Series 2005A and to advance refund \$4,215,000.00 of the General Improvement Bonds (Water/Sewer Utility), Series 2005B. Additionally, on the same date, the Township issued \$1,025,000.00 in Pension Refunding Bonds in order to currently refund \$985,000.00 of the General Obligation Refunding Bonds, Pension Series 2003. Both the Series 2004 and Pension Series 2003 were called for early redemption on May 1, 2014. Both the Series 2005A and 2005B will be called for early redemption on July 1, 2015.

The Township adopted two General Improvement bond ordinances and one Water/Sewer Improvement bond ordinance on March 18, 2014. General improvements include various public works improvements and equipment, improvements to various roads, replacement of computer equipment, park and recreation improvements, acquisition of various police department equipment, purchase of rescue pump truck for the fire company and the construction of a community center and pavilion. A total amount of bonds or notes authorized were \$4,929,205.00. The Water/Sewer Improvements include replacement and rehabilitation of sewer lines, purchase of electronic metering system, replacement of water mains and lines, water plant refit and filter replacement, purchase of utility truck and tire machine, with a total of \$2,595,679.00 authorized in bonds or notes.

On May 19, 2014 the Township issued \$6,500,000.00 in General Capital Improvement Bonds and \$3,500,000.00 in Water/Sewer Utility Bonds with principal maturities from May 1, 2015 – 2029. The Bonds were issued to permanently finance the cost of various capital improvements, the majority of which were previously financed through bond anticipation notes.

The Township has evaluated subsequent events occurring after December 31, 2013 through the date of June 12, 2014 which is the date the financial statements were available to be issued.

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 12,697,710.28
Increased By Receipts:			
Miscellaneous Revenue Not Anticipated	A-2	\$ 409,437.74	
Due From State of New Jersey - Senior Citizens' and Veterans' Deductions	2-A	446,120.60	
Taxes Receivable	3-A	80,535,081.56	
Tax Title Liens Receivable	4-A	50,219.44	
Revenue Accounts Receivable	5-A	7,761,492.81	
Grants Received	7-A	173,132.06	
Payroll Deductions Payable	11-A	11,149,035.30	
Prepaid Taxes	12-A	505,334.07	
Tax Overpayments	15-A	7,409.37	
Special Emergency Funded by Bond Ordinance	21-A	1,135,000.00	
Due to County - Share of PILOT Revenue	1-A	16,509.46	
Due to State Agencies:			
State Training Fees	1-A	55,747.00	
Marriage License Fees	1-A	3,535.00	
Reserve for:			
Payment of Special Emergency Notes	A	<u>235,307.68</u>	
			<u>102,483,362.09</u>
			115,181,072.37
Decreased By Disbursements:			
Current Appropriations	A-3	36,868,728.03	
Appropriation Reserves	8-A	1,914,750.78	
Payroll Deductions Payable	11-A	11,136,399.58	
County Taxes Payable	13-A	14,973,441.03	
Local District School Tax Payable	14-A	25,996,685.50	
Regional High School Tax Payable	14-A	8,975,932.88	
Tax Overpayments	15-A	4,782.47	
Municipal Open Space Tax	16-A	90,345.69	
Due to County - Share of PILOT Revenue	1-A	16,509.46	
Due to State Agencies:			
State Training Fees	1-A	55,747.00	
Marriage License Fees	1-A	3,535.00	
Special Emergency Notes Payable	20-A	5,745,000.00	
Reserve for Grant Expenditures - Appropriated	18-A	<u>124,368.58</u>	
			<u>105,906,226.00</u>
Balance, December 31, 2013	A		<u>\$ 9,274,846.37</u>



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

SCHEDULE OF DUE TO STATE OF NEW JERSEY -  
SENIOR CITIZENS' AND VETERANS' DEDUCTIONS

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 9,193.76
Increased By:			
Cash Receipts	1-A	\$ 446,120.60	
Deductions Disallowed By Collector:			
2011 Taxes	A-1,3-A	660.96	
2012 Taxes	A-1,3-A	11,636.98	
2013 Taxes	3-A	<u>10,483.51</u>	
			<u>468,902.05</u>
			478,095.81
Decreased By:			
Senior Citizens'/Veterans' Deductions per Tax Billing	3-A	468,750.00	
Deductions Allowed By Collector:			
2013 Taxes	3-A	<u>9,000.00</u>	
			<u>477,750.00</u>
Balance, December 31, 2013	A		<u><u>\$ 345.81</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF LEVY

Year ended December 31, 2013

Year	Balance December 31, 2012	2013 Levy	Added/ Omitted 2013	Collections 2012	Collections 2013	Senior Citizens' and Veterans' Deductions Allowed/ (Disallowed)	Transferred To Tax Title Liens	Cancelled	Balance December 31, 2013
2010	\$ 12,461.24				\$ 10,203.59			\$ 7,292.92	\$ 2,257.65
2011	21,442.30				9,310.51	\$ (660.96)			5,499.83
2012	913,609.34				865,913.87	(11,636.98)	\$ 10,180.74	39,561.40	9,590.31
2013		\$ 80,917,041.43	\$ 278,388.05	\$ 466,786.36	79,649,653.59	467,266.49	24,287.87	27,860.08	559,575.09
	\$ 947,512.88	\$ 80,917,041.43	\$ 278,388.05	\$ 466,786.36	\$ 80,535,081.56	\$ 454,968.55	\$ 34,468.61	\$ 74,714.40	\$ 576,922.88
Reference	A	3-A	3-A	12-A	1-A	2-A	4-A		A

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF TAXES RECEIVABLE AND ANALYSIS OF LEVY

Year ended December 31, 2013

	<u>Reference</u>		
<u>Analysis of 2013 Property Tax Levy</u>			
Tax Yield:			
Senior Citizens' Deductions per Tax Billing	2-A	\$	90,750.00
Veterans' Deductions per Tax Billing	2-A		378,000.00
General Purpose Tax	3-A		80,448,291.43
Added Taxes (54:4-63.1 et seq.)	3-A		<u>278,388.05</u>
	3-A	\$	<u><u>81,195,429.48</u></u>
Tax Levy:			
County Tax (Abstract)	13-A	\$	12,512,687.93
County Library Tax (Abstract)	13-A		1,436,047.58
County Health Tax (Abstract)	13-A		519,696.87
County Open Space Preservation	13-A		461,543.34
Due County for Added Tax	13-A		51,750.08
Local District School Tax (Abstract)	14-A		25,817,889.00
Regional School Tax (Abstract)	14-A		8,593,396.00
Municipal Open Space Tax	16-A		90,027.86
Due Open Space Trust for Added Tax	16-A		<u>317.83</u>
	A-2		49,483,356.49
Local Tax for Municipal Purposes (Abstract)	A-2		31,474,900.09
Add: Additional Tax Levied			<u>237,172.90</u>
	3-A	\$	<u><u>81,195,429.48</u></u>
 <u>Analysis of Current Revenue From Taxes</u>			
		2013	Delinquent
		<u>Property Taxes</u>	<u>Taxes</u>
Prepaid Taxes Applied	3-A	\$	466,786.36
Taxes Collected in 2013	3-A	79,649,653.59	\$ 885,427.97
Senior Citizens' and Veterans' Deductions (Net)	3-A	467,266.49	
Tax Title Liens Collected in 2013	4-A		<u>50,219.44</u>
	A-1,A-2	\$	<u><u>80,583,706.44</u></u>
			<u><u>\$ 935,647.41</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAX TITLE LIENS RECEIVABLE

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 118,833.01
Increased By:			
Transfer From Taxes Receivable	3-A	\$ 34,468.61	
Interest and Costs of Tax Sale		<u>1,472.78</u>	
			<u>35,941.39</u>
			154,774.40
Decreased By:			
Collections	1-A,3-A		<u>50,219.44</u>
Balance, December 31, 2013	A		<u>\$ 104,554.96</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF REVENUE ACCOUNTS RECEIVABLE

Year ended December 31, 2013

	<u>Reference</u>	Balance December 31, <u>2012</u>	Accrued <u>2013</u>	Realized Revenue <u>2013</u>	Balance December 31, <u>2013</u>
Licenses:					
Alcoholic Beverages	A-2		\$ 30,950.00	\$ 30,950.00	
Fees and Permits:					
Other	A-2		47,715.00	47,715.00	
Fines and Costs:					
Municipal Court	A-2	\$ 20,818.00	390,492.85	378,915.02	\$ 32,395.83
Interest and Cost on Taxes	A-2		269,467.01	269,467.01	
Fire Prevention Bureau Fees	A-2		99,135.51	99,135.51	
Mobile Home Park Fees	A-2		140,708.00	140,708.00	
Payments in Lieu of Taxes - Federal	A-2		10,989.00	10,989.00	
Cable TV Fees and Lease	A-2		112,983.11	112,983.11	
PILOT - Target, Costco, etc.	A-2		286,626.11	286,626.11	
Energy Receipts Tax	A-2		2,465,920.00	2,465,920.00	
Supplemental Energy Receipts Tax	A-2		104,286.00	104,286.00	
Reserve for Garden State Preservation Trust Fund	A-2		36,666.00	36,666.00	
Uniform Construction Code Fees	A-2		1,078,926.00	1,078,926.00	
Interlocal Government Services Agreement -					
Animal Control:					
Long Beach Township	A-2		17,073.20	17,073.20	
Borough of Beach Haven	A-2		7,005.50	7,005.50	
Borough of Barnegat Light	A-2		3,463.50	3,463.50	
Borough of Harvey Cedars	A-2		2,932.00	2,932.00	
Interlocal Government Services Agreement -					
Construction:					
Township of Eagleswood	A-2		35,902.00	35,902.00	
Borough of Beach Haven	A-2		85,602.60	85,602.60	
Borough of Surf City	A-2		31,470.00	31,470.00	
Borough of Harvey Cedars	A-2		18,883.00	18,883.00	
Ocean County Cooperative Pricing System	A-2		17,000.00	17,000.00	
Reserve To Pay Bonds	A-2		89,750.00	89,750.00	
Capital Surplus	A-2		215,000.00	215,000.00	
Reserve To Pay Notes	A-2		50,000.00	50,000.00	
FEMA Community Disaster Loan	A-2		2,000,000.00	2,000,000.00	
FEMA Reimbursements - Superstorm Sandy	A-2		160,790.25	160,790.25	
Total		<u>\$ 20,818.00</u>	<u>\$ 7,809,736.64</u>	<u>\$ 7,798,158.81</u>	<u>\$ 32,395.83</u>
	<u>Reference</u>	A			A
Analysis of Collected:					
Cash - Treasurer	1-A			\$ 7,761,492.81	
Reserve for Garden State Preservation Trust Fund	17-A			36,666.00	
	A-2			<u>\$ 7,798,158.81</u>	

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PROPERTY ACQUIRED FOR TAXES - ASSESSED VALUATION

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ 288,350.00
Decreased by:		
Adjustment to Assessed Valuation	6-A	<u>101,700.00</u>
Balance, December 31, 2013	A	<u><u>\$ 186,650.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GRANT FUND

SCHEDULE OF STATE AND FEDERAL GRANTS RECEIVABLE

Year ended December 31, 2013

	Balance December 31, 2012	Increased By Revenue Anticipated 2013	Receipts Realized	Balance December 31, 2013
County of Ocean:				
Municipal Alliance on Alcoholism and Drug Abuse - 2012	\$ 13,655.24	\$	9,852.11	\$ 3,803.13
Municipal Alliance on Alcoholism and Drug Abuse - 2013			7,636.94	19,363.06
Other Agencies:				
Clean Communities Program - 2013		69,023.32		
Drunk Driving Enforcement Fund		21,932.13		
Drive Sober or Get Pulled Over 2012 Crackdown	4,400.00		4,400.00	
Alcohol Education and Rehabilitation Fund - 2013		2,322.09		
Bulletproof Vest Partnership	3,900.00			3,900.00
Body Armor Replacement Fund - 2013		6,094.09		
Recycling Tonnage Grant - 2011		51,871.38		
	<u>\$ 21,955.24</u>	<u>\$ 178,243.01</u>	<u>\$ 173,132.06</u>	<u>\$ 27,066.19</u>
Reference	A	A-2, 10-A	1-A, 10-A	A

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

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SCHEDULE OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

		Appropriations			
	Balance December 31, 2012	Prior Year Encumbrances	Balance After Modification	Paid or Charged	Lapsed
<b>GENERAL GOVERNMENT</b>					
General Administration:					
Salaries and Wages	\$ 1,887.38				
Other Expenses	5,131.66	\$ 765.72	\$ 2,847.38	\$ 1,000.18	\$ 1,847.20
Purchasing:					
Salaries and Wages	21.03				
Other Expenses	53.82	40.00	93.82	87.00	6.82
Human Resources:					
Other Expenses	6,015.00	1,012.50	7,027.50	1,212.50	5,815.00
Mayor and Council:					
Salaries and Wages	39.96				
Other Expenses	881.11		881.11	153.38	727.73
Municipal Clerk:					
Salaries and Wages	3,391.98				
Other Expenses	1,266.17	840.61	2,106.78	1,243.76	863.02
Elections	77.54		77.54		77.54
Financial Administration (Treasury):					
Salaries and Wages	6,170.87				
Other Expenses	81.01	2,032.40	2,113.41	2,076.85	36.56
Banking and Arbitrage Rebate Services:					
Other Expenses	12,556.34		12,556.34	1,863.63	10,692.71
Computerized Data Processing:					
Salaries and Wages	4,461.40				
Other Expenses	154.84	3,267.00	3,421.84	3,267.00	154.84
Revenue Administration (Tax Collection):					
Salaries and Wages	1,166.21				
Other Expenses	151.75	2,166.95	2,318.70	2,146.95	171.75
Tax Assessment Administration:					
Salaries and Wages	4,374.28				
Other Expenses	38,235.67	501.69	27,737.36	11,442.77	16,294.59
Legal Services (Legal Department):					
Other Expenses	67,414.05		67,414.05	15,213.79	52,200.26
Engineering Services:					
Other Expenses	522.75	28,869.50	31,492.25	29,991.28	1,500.97
Municipal Alliance:					
Salaries and Wages	1,269.70				
Community Development and Zoning:					
Salaries and Wages	5,939.80				
Other Expenses	314.78	541.20	855.98	521.20	334.78
Historic Sites Office:					
Salaries and Wages	623.50				
Other Expenses	327.65		327.65	9.69	317.96
<b>LAND USE ADMINISTRATION</b>					
Planning Board:					
Salaries and Wages	2,269.90				
Other Expenses	8,007.77	1,223.76	9,231.53	1,485.89	7,745.64
Zoning Board of Adjustment:					
Salaries and Wages	1,086.61				
Other Expenses	3,363.39	100.00	3,463.39	235.12	3,228.27
<b>CODE ENFORCEMENT AND ADMINISTRATION</b>					
Uniform Construction Code Enforcement:					
Salaries and Wages	1,567.50				
Other Expenses	1,192.69	523.63	1,716.32	595.80	1,120.52
Other Code Enforcement Functions:					
Salaries and Wages	17.00				
Other Expenses	330.28	81.04	411.32	88.98	322.34



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

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SCHEDULE OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

	Appropriations			
	Balance December 31, 2012	Prior Year Encumbrances	Balance After Modification	Paid or Charged
				Lapsed
<b>INSURANCE</b>				
General Liability	96.99		96.99	96.99
Employee Group Health Insurance		599.40	599.40	599.40
<b>PUBLIC SAFETY</b>				
Police Department:				
Other Expenses		50,089.10	54,702.10	54,214.25
Office of Emergency Management:				
Other Expenses		115.56	115.56	43.40
Aid to Volunteer Ambulance Companies	6,462.52		6,462.52	6,462.52
Uniform Fire Safety:				
Salaries and Wages	1,962.86			
Other Expenses	667.76	2,348.75	3,016.51	2,328.58
Municipal Prosecutor's Office:				
Other Expenses	12,952.50	3,611.25	16,563.75	3,611.25
New Jersey Public Employees Safety and Health	1,338.31	1,624.00	2,962.31	1,949.05
<b>PUBLIC WORKS</b>				
Streets and Road Maintenance:				
Salaries and Wages	70,795.38		85,161.17	70,795.38
Other Expenses	5,471.63	23,593.98	29,065.61	22,465.92
Solid Waste Collection:				
Salaries and Wages	3,421.07			
Other Expenses	522.23	916.86	439.09	108.99
Buildings and Grounds:				
Salaries and Wages	3,505.38			
Other Expenses	15,215.12	27,420.93	42,636.05	41,601.36
Vehicle Maintenance:				
Salaries and Wages	4,887.81			
Other Expenses	618.57	50,714.06	52,332.63	45,921.81
Municipal Bus Service:				
Salaries and Wages	2,551.53			
Other Expenses	501.26	129.28	630.54	129.28
<b>HEALTH AND HUMAN SERVICES</b>				
Environmental Health Services:				
Salaries and Wages	871.60			
Other Expenses	369.90	65.60	435.50	65.60
Animal Control Services:				
Salaries and Wages	2,751.37			
Other Expenses	2,117.04	641.91	2,758.95	652.96
<b>PARKS AND RECREATION</b>				
Recreation Services and Programs:				
Salaries and Wages	87.01			
Other Expenses	7,544.03	18,610.00	26,154.03	17,602.48
Beach and Boardwalk Operations:				
Salaries and Wages	186.37			
Other Expenses	116.35		116.35	116.35
Celebration of Public Events:				
Other Expenses	2,492.07	2,750.00	5,242.07	1,706.85
Municipal Court:				
Salaries and Wages	258.70			
Other Expenses	422.87	1,698.05	2,120.92	1,684.84
Public Defender:				
Other Expenses	3,044.00		3,044.00	3,044.00

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

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SCHEDULE OF 2012 APPROPRIATION RESERVES

Year ended December 31, 2013

	Appropriations		Paid or Charged	Lapsed
	Balance December 31, 2012	Prior Year Encumbrances		
UNCLASSIFIED				
UTILITY EXPENSES AND BULK PURCHASES				
Electricity	28,773.12		18,638.73	34.39
Street Lighting	18,402.72		36,552.87	364.85
Telephone (excluding telephone acquisition)	17,369.08	3,236.32	13,653.23	2.17
Water	183.35		4,334.72	0.63
Gas (natural or propane)	11,841.38		9,698.90	2,142.48
Telecommunications Costs	383.52		383.52	383.52
Sewerage Processing and Disposal	1,586.32		2,953.60	2.72
Gasoline	26,852.05	34,054.48	63,286.87	19.66
Landfill/Solid Waste Disposal Costs	2,968.50		918.50	918.50
Accumulated Leave Compensation			40,405.03	
STATUTORY EXPENDITURES				
Contribution To:				
Social Security System (O.A.S.I.)	1,897.30		1,897.30	
DCRP Appropriation	10,663.75			10,663.75
Employee Group Health	11,006.31			11,006.31
Length of Service Award Program	95,000.00		90,850.00	4,150.00
Special Emergency - Superstorm Sandy		2,067,318.02	2,067,318.02	0.00
Total General Appropriations	<u>\$ 558,525.02</u>	<u>\$ 2,331,503.55</u>	<u>\$ 2,890,028.57</u>	<u>\$ 192,815.61</u>
	Reference	A		A-1
Encumbrances Payable	9-A	\$ 1,518,188.12		
Reserve for Special Emergency	22-A	<u>813,315.43</u>		
		<u>\$ 2,331,503.55</u>		
Cash Disbursed	1-A		\$ 1,914,750.78	
Accounts Payable	19-A		<u>782,462.18</u>	
			<u>\$ 2,697,212.96</u>	

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2013</u>
Budget Appropriations	\$ 1,518,188.12	\$ 224,027.61	\$ 1,518,188.12	\$ 224,027.61
Grant Fund	<u>2,804.00</u>	<u>11,126.55</u>	<u>2,804.00</u>	<u>11,126.55</u>
	<u>\$ 1,520,992.12</u>	<u>\$ 235,154.16</u>	<u>\$ 1,520,992.12</u>	<u>\$ 235,154.16</u>
<u>Reference</u>	A	A-3,18-A	8-A,18-A	A

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DUE TO GRANT FUND

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 146,809.43
Increased By:			
Cash Receipts	7-A	\$ 173,132.06	
Budget Appropriations	18-A	<u>184,993.01</u>	
			<u>358,125.07</u>
			504,934.50
Decreased By:			
Revenue Anticipated	7-A	178,243.01	
Cash Disbursements	18-A	<u>124,368.58</u>	
			<u>302,611.59</u>
Balance, December 31, 2013	A		<u><u>\$ 202,322.91</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PAYROLL DEDUCTIONS PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ 164,271.05
Increased By:		
Cash Receipts:		
Payroll Deductions	1-A	<u>11,149,035.30</u>
		11,313,306.35
Decreased By:		
Cash Disbursements	1-A	<u>11,136,399.58</u>
Balance, December 31, 2013	A	<u><u>\$ 176,906.77</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF PREPAID TAXES

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ 466,786.36
Increased By:		
Collection of 2013 Taxes	1-A	<u>505,334.07</u>
		972,120.43
Decreased By:		
Applied To Taxes Receivable	3-A	<u>466,786.36</u>
Balance, December 31, 2013	A	<u><u>\$ 505,334.07</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF COUNTY TAXES PAYABLE

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 43,465.31
Increased By:			
2013 Levy:			
General County	3-A	\$ 12,512,687.93	
County Library	3-A	1,436,047.58	
County Health	3-A	519,696.87	
County Open Space Preservation	3-A	461,543.34	
Due County for Added Assessments	3-A	<u>51,750.08</u>	
	A-1		<u>14,981,725.80</u>
			15,025,191.11
Decreased By:			
Cash Disbursements	1-A		<u>14,973,441.03</u>
Balance, December 31, 2013	A		<u><u>\$ 51,750.08</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF SCHOOL TAXES PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	<u>Local District School Tax</u>	<u>Regional High School Tax</u>
Balance, December 31, 2012			
School Tax Payable	A	\$ 1,795,451.00	\$ 541,146.75
School Tax Deferred	14-A	<u>11,292,290.00</u>	<u>4,138,088.13</u>
		13,087,741.00	4,679,234.88
Increased By:			
Levy - School Year, July 1, 2013 to June 30, 2014	3-A	<u>25,817,889.00</u>	<u>8,593,396.00</u>
		38,905,630.00	13,272,630.88
Decreased By:			
Cash Disbursements	1-A	<u>25,996,685.50</u>	<u>8,975,932.88</u>
Balance, December 31, 2013	14-A	<u>\$ 12,908,944.50</u>	<u>\$ 4,296,698.00</u>
Analysis of Balance:			
School Tax Payable	A	\$ 1,616,654.50	\$ 158,609.87
School Tax Deferred	14-A	<u>11,292,290.00</u>	<u>4,138,088.13</u>
		<u>\$ 12,908,944.50</u>	<u>\$ 4,296,698.00</u>
2013 Liability for School Taxes:			
Tax Paid	1-A	\$ 25,996,685.50	\$ 8,975,932.88
Taxes Payable, December 31, 2013	A	<u>1,616,654.50</u>	<u>158,609.87</u>
		27,613,340.00	9,134,542.75
Taxes Payable, December 31, 2012	A	<u>1,795,451.00</u>	<u>541,146.75</u>
Amount Charged To Operations	A-1	<u>\$ 25,817,889.00</u>	<u>\$ 8,593,396.00</u>



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF TAX OVERPAYMENTS PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ 4,782.47
Increased By:		
Cash Receipts	1-A	<u>7,409.37</u>
		12,191.84
Decreased By:		
Cash Disbursements	1-A	<u>4,782.47</u>
Balance, December 31, 2013	A	<u><u>\$ 7,409.37</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF MUNICIPAL OPEN SPACE TAX PAYABLE

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ -
Increased By:			
2013 Levy	3-A	\$ 90,027.86	
Added and Omitted Taxes	3-A	317.83	
	A-1		<u>90,345.69</u>
			90,345.69
Decreased By:			
Cash Disbursements	1-A		<u>90,345.69</u>
Balance, December 31, 2013	A		<u><u>\$ -</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF RESERVE FOR GARDEN STATE PRESERVATION TRUST FUND

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ 36,666.00
Decreased By:		
Anticipated as Revenue	5-A	<u>36,666.00</u>
Balance, December 31, 2013	A	<u><u>\$ -</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF RESERVE FOR GRANT EXPENDITURES - APPROPRIATED

Year ended December 31, 2013

	Balance December 31, 2012	Transferred From 2013 Budget Appropriations	Transfer From Encumbrances	Cash Disbursed	Encumbrances Payable	Balance December 31, 2013
County of Ocean:						
Municipal Alliance on Alcoholism - 2012	\$ 3,484.29	\$ 27,000.00	\$ 770.00	\$ 539.00	\$ 100.00	\$ 3,615.29
Municipal Alliance on Alcoholism - 2013		6,750.00		25,565.72		1,434.28
Municipal Alliance on Alcoholism - 2013 Match				6,750.00		
Other Agencies:						
Clean Communities Program - 2012	41,538.97		500.00	42,038.97		
Clean Communities Program - 2013		69,023.32		33,192.44	5,690.55	30,140.33
Drunk Driving Enforcement Fund		21,932.13		10,108.45	1,600.00	10,223.68
Alcohol Education and Rehabilitation Fund - 2012	2,031.75			1,650.00		381.75
Alcohol Education and Rehabilitation Fund - 2013	12,098.80	2,322.09				2,322.09
Emergency Management Exercise Grant	3,900.00					12,098.80
Bulletproof Vest Partnership Grant						3,900.00
Body Armor Replacement Fund - 2008			195.14	195.14		
Body Armor Replacement Fund - 2009	577.38		1,338.86	1,916.24		
Body Armor Replacement Fund - 2010	4,600.04			2,412.62	2,187.42	3,126.59
Body Armor Replacement Fund - 2011	4,675.17				1,548.58	4,703.16
Body Armor Replacement Fund - 2012	4,703.16					6,094.09
Body Armor Replacement Fund - 2013		6,094.09				40,676.46
Recycling Tonnage Grant - 2009	40,676.46					47,674.65
Recycling Tonnage Grant - 2010	47,674.65					51,871.38
Recycling Tonnage Grant - 2011		51,871.38				
	<u>\$ 165,960.67</u>	<u>\$ 184,993.01</u>	<u>\$ 2,804.00</u>	<u>\$ 124,368.58</u>	<u>\$ 11,126.55</u>	<u>\$ 218,262.55</u>
Reference	A	A-3,10-A	9-A	1-A,10-A	9-A	A

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GRANT FUND

SCHEDULE OF ACCOUNTS PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ -
Increased By:		
Encumbered	8-A	<u>782,462.18</u>
Balance, December 31, 2013	A	<u><u>\$ 782,462.18</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

CURRENT FUND

SCHEDULE OF SPECIAL EMERGENCY NOTES

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	A	\$ 7,000,000.00
Decreased By:		
Cash Disbursements	1-A	<u>5,745,000.00</u>
Balance, December 31, 2013	A	<u><u>\$ 1,255,000.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF DEFERRED CHARGES - SPECIAL EMERGENCY AUTHORIZATION

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 7,000,000.00
Decreased By:			
Raised in Budget	A-3	\$ 1,308,000.00	
Funded By Bond Ordinance	1-A	1,135,000.00	
Cancelled By Resolution	22-A	<u>3,302,000.00</u>	
			<u>5,745,000.00</u>
Balance, December 31, 2013	A		<u><u>\$ 1,255,000.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## CURRENT FUND

## SCHEDULE OF RESERVE FOR SPECIAL EMERGENCY - SUPERSTORM SANDY

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	A		\$ 4,115,315.43
Decreased By:			
Transfer to Appropriation Reserves	8-A	\$ 813,315.43	
Cancelled By Resolution	21-A	<u>3,302,000.00</u>	
			<u>4,115,315.43</u>
Balance, December 31, 2013	A		<u><u>\$ -</u></u>



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

TRUST FUND

SCHEDULE OF TRUST CASH AND CASH EQUIVALENTS - TREASURER

Year ended December 31, 2013

	<u>Reference</u>	<u>Animal Control Fund</u>	<u>Trust - Other Fund</u>	<u>Open Space Trust Fund</u>
Balance, December 31, 2012	B	\$ 46,719.22	\$ 7,143,799.23	\$ 1,464,708.85
Increased By Receipts:				
Dog License Fees	3-B	23,948.60		
Due To State of New Jersey Department of Health	4-B	5,551.80		
Escrow Funds	6-B		340,035.33	
Municipal Alliance	7-B		33,770.00	
Various Reserves	8-B		2,611,898.60	
Open Space Fund Expenditures	9-B			90,644.01
		29,500.40	2,985,703.93	90,644.01
		76,219.62	10,129,503.16	1,555,352.86
Decreased By Disbursements:				
Animal Control Fund Expenditures	3-B	15,151.45		
Due To State of New Jersey Department of Health	4-B	5,537.40		
Reserve for Landfill Tax Escrow	5-B		4,764.19	
Escrow Funds	6-B		300,645.91	
Municipal Alliance	7-B		28,970.51	
Various Reserves	8-B		2,273,946.75	
Open Space Fund Expenditures	9-B			391,495.76
		20,688.85	2,608,327.36	391,495.76
Balance, December 31, 2013	B	\$ 55,530.77	\$ 7,521,175.80	\$ 1,163,857.10

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF INVESTMENTS

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	B		\$ 692,045.22
Increased By:			
Township Contributions	11-B	\$ 90,850.00	
Appreciation	11-B	<u>133,535.35</u>	
			<u>224,385.35</u>
			916,430.57
Decreased By:			
Withdrawals	11-B	38,102.15	
Accounting Charges	11-B	<u>3,295.01</u>	
			<u>41,397.16</u>
Balance, December 31, 2013	B		<u><u>\$ 875,033.41</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL FUND

SCHEDULE OF RESERVE FOR ANIMAL CONTROL FUND EXPENDITURES

Year ended December 31, 2013

Reference

Balance, December 31, 2012	B		\$ 46,710.22
Increased By:			
Dog License Fees Collected	1-B		<u>23,948.60</u>
			70,658.82
Decreased By:			
Statutory Excess Due Current Fund	10-B	\$ 7,816.37	
Expenditures for Animal Control Fund	1-B	<u>15,151.45</u>	
			<u>22,967.82</u>
Balance, December 31, 2013	B		<u><u>\$ 47,691.00</u></u>

Fees Collected

2012	\$ 24,458.00
2011	<u>23,233.00</u>
	<u><u>\$ 47,691.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## ANIMAL CONTROL FUND

## SCHEDULE OF DUE TO STATE OF NEW JERSEY DEPARTMENT OF HEALTH

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	B	\$ 9.00
Increased By:		
Cash Receipts	1-B	<u>5,551.80</u>
		5,560.80
Decreased By:		
Cash Disbursements	1-B	<u>5,537.40</u>
Balance, December 31, 2013	B	<u><u>\$ 23.40</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## TRUST - OTHER FUND

## SCHEDULE OF RESERVE FOR LANDFILL TAX ESCROW

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	B	\$ 413,819.09
Decreased By:		
Bank Fees	1-B	<u>4,764.19</u>
Balance, December 31, 2013	B	<u><u>\$ 409,054.90</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF CASH SURETY BONDS AND ESCROW DEPOSITS

Year ended December 31, 2013

<u>Trust Funds</u>	Balance December 31, 2012	<u>Increases</u>	<u>Decreases</u>	Balance December 31, 2013
Cash Surety Bonds	\$ 1,585,149.14	\$ 34,792.64	\$ 64,459.98	\$ 1,555,481.80
Reserve for Developers'				
Escrow Deposits	<u>1,312,554.57</u>	<u>305,242.69</u>	<u>236,185.93</u>	<u>1,381,611.33</u>
	<u>\$ 2,897,703.71</u>	<u>\$ 340,035.33</u>	<u>\$ 300,645.91</u>	<u>\$ 2,937,093.13</u>
<u>Reference</u>	B	1-B	1-B	B

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## TRUST - OTHER FUND

## SCHEDULE OF RESERVE FOR MUNICIPAL ALLIANCE PROGRAM INCOME

Year ended December 31, 2013

Reference

Balance, December 31, 2012	B	\$ 20,391.64
Increased By:		
Cash Receipts	1-B	<u>33,770.00</u>
		54,161.64
Decreased By:		
Cash Disbursements	1-B	<u>28,970.51</u>
Balance, December 31, 2013	B	<u><u>\$ 25,191.13</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

TRUST - OTHER FUND

SCHEDULE OF VARIOUS RESERVES

Year ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Increases</u>	<u>Decreases</u>	Balance December 31, <u>2013</u>
Unemployment Compensation				
Insurance	\$ 91,703.26	\$ 97,596.71	\$ 81,386.08	\$ 107,913.89
Reserve for:				
Adopt-A-Park Program	101.75	1,000.00		1,101.75
Community Outreach Donations	179.10	1,100.00		1,279.10
P.O.A.A.	105.00	28.00		133.00
Disposal of Forfeited Property	38,108.01	5,758.82	2,950.35	40,916.48
Public Defender	741.00	14,710.86	13,881.86	1,570.00
Outside Employment	26,040.38	242,596.18	199,777.11	68,859.45
Utility Developers Escrow	614,403.63	21,187.46	71,256.57	564,334.52
Adopt A Tree Program	8,867.79	8,057.00	8,360.59	8,564.20
Recreation Trust Fund	14,086.27	113,881.66	118,346.87	9,621.06
Accumulated Leave Time	413,106.81	150,655.03	109,412.27	454,349.57
Affordable Housing Trust	2,099,842.23	198,038.51	131,242.45	2,166,638.29
Snow Removal Trust	287,314.21		18,792.70	268,521.51
Hurricane Sandy Relief Donations		305,000.00	305,000.00	
Tax Title Liens	61,185.35	871,518.45	905,069.98	27,633.82
Tax Sale Premiums	156,100.00	580,769.92	308,469.92	428,400.00
	<u>\$ 3,811,884.79</u>	<u>\$ 2,611,898.60</u>	<u>\$ 2,273,946.75</u>	<u>\$ 4,149,836.64</u>
<u>Referenc</u>	B	1-B	1-B	B



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## OPEN SPACE TRUST FUND

## SCHEDULE OF RESERVE FOR OPEN SPACE FUND EXPENDITURES

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	B	\$ 1,464,708.85
Increased By:		
Open Space Tax Levy		\$ 90,027.86
Interest Earned		298.32
Open Space Tax - Added/Omitted		<u>317.83</u>
	1-B	<u>90,644.01</u>
		1,555,352.86
Decreased By:		
Cash Disbursed:		
Debt Service	1-B	<u>391,495.76</u>
Balance, December 31, 2013	B	<u>\$ 1,163,857.10</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

ANIMAL CONTROL FUND

SCHEDULE OF DUE TO CURRENT FUND

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	B	\$ -
Increased By:		
Statutory Excess Due Current Fund	3-B	<u>7,816.37</u>
Balance, December 31, 2013	B	<u><u>\$ 7,816.37</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

LENGTH OF SERVICE AWARDS PROGRAM FUND ("LOSAP")

SCHEDULE OF MISCELLANEOUS RESERVES

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	B		\$ 692,045.22
Increased By:			
Budget Appropriation	2-B	\$ 90,850.00	
Appreciation	2-B	<u>133,535.35</u>	
			<u>224,385.35</u>
			916,430.57
Decreased By:			
Withdrawals	2-B	38,102.15	
Accounting Charges	2-B	<u>3,295.01</u>	
			<u>41,397.16</u>
Balance, December 31, 2013	B		<u>\$ 875,033.41</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF GENERAL CAPITAL FUND CASH

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	C		\$ 6,025,918.58
Increased By Cash Receipts:			
Bond Anticipation Notes	7-C	\$ 2,393,250.00	
Capital Improvement Fund	11-C	301,221.01	
Loans Payable	9-C	1,217,756.00	
Deferred Charges to Future Taxation - Unfunded	5-C	50,000.00	
Fund Balance	C-1	43,117.08	
Reserve for:			
Community Center Donations	14-C	100.00	
Community Center Insurance Proceeds	15-C	148,980.98	
Debt Service	12-C	<u>7,320.00</u>	
			<u>4,161,745.07</u>
			10,187,663.65
Decreased By Cash Disbursements:			
Bond Anticipation Notes	7-C	50,000.00	
Improvement Authorizations	10-C	3,189,392.07	
Reserve for Debt Service	12-C	139,750.00	
Fund Balance	C-1	<u>215,000.00</u>	
			<u>3,594,142.07</u>
Balance, December 31, 2013	C		<u><u>\$ 6,593,521.58</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF ANALYSIS OF GENERAL CAPITAL FUND CASH

Year ended December 31, 2013

	Balance December 31, <u>2013</u>
Fund Balance	\$ 934,933.86
Capital Improvement Fund	62,750.00
Encumbrances Payable	1,644,118.64
Reserve for:	
Debt Service	7,320.00
Developer's Contributions	42,000.00
Preliminary Expenses - Community Center	150,000.00
Community Center - Insurance Proceeds	148,980.98
Community Center Donations	100,100.00
<u>Ordinance Number</u>	<u>Improvement Description</u>
08-103	Closure of Landfill
09-12/04-57	Construction of Bulkhead and Other Improvements To Mill Creek Park
09-30/08-20/07-09/06-07/04-59	Design Improvements for the Intersection of Mill Creek Road and Route 72
09-42/09-06	Construction of Vehicle Wash Facility
10-25	Various 2010 Roadway Improvements
12-18/10-26	Various 2010 Drainage Improvements
10-31	Acquisition of Various Police Vehicles
10-32	Acquisition/Installation of Various Vehicles/Equipment for DPW
11-20	Police Radio Upgrade - Phase 2
12-10/11-24	Improvements to Ambulances
11-25	Improvements to Municipal Building
11-26	Acquisition/Installation of Various Equipment for DPW
11-27	Various Roadway Improvements
12-02	Acquisition of Various Vehicles/Equipment for DPW
12-03	Various Roadway Improvements
12-04	Acquisition of Various Police Equipment
12-05	Radio System Upgrade Project
12-24/12-07	Various Improvements to Various Parks
13-10	Refunding All or a Portion of the Series 2003, 2004 and 2005 Bonds
13-13	Various Capital Improvements/Acquisition of Capital Equipment
13-18	Neptune Basin Project
	<u>\$ 6,593,521.58</u>

Reference

C

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR PRELIMINARY EXPENSES - COMMUNITY CENTER

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	C	\$ -
Increased By:		
Appropriated from Reserve for Community Center Donations	14-C	<u>150,000.00</u>
Balance, December 31, 2013	C	<u><u>\$ 150,000.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - FUNDED

Year ended December 31, 2013

Reference

Balance, December 31, 2012	C		\$ 61,754,584.95
Increased By:			
Loans Issued	5-C		<u>1,217,756.00</u>
			62,972,340.95
Decreased By:			
Payments By Budget Appropriation:			
Bonds Payable	6-C	\$ 4,440,000.00	
Loans Payable	9-C	<u>302,873.25</u>	
			<u>4,742,873.25</u>
Balance, December 31, 2013	C		<u><u>\$ 58,229,467.70</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF DEFERRED CHARGES TO FUTURE TAXATION - UNFUNDED

Year ended December 31, 2013

Ordinance Number	Improvement Description	Balance December 31, 2012	2013 Authorizations	Cancelled	Raised in Budget/ Loan Issued	Balance December 31, 2013	Analysis of Balance December 31, 2013		
							Bond Anticipation Notes	Expenditures	Unexpended Improvement Authorizations
09-42/09-06	General Improvements:	\$				\$	\$		
12-18/10-26	Construction of Vehicle Wash Facility	355,100.00				355,100.00	355,100.00		
11-18	Various 2010 Drainage Improvements	285,000.00				285,000.00		\$ 275,820.09	\$ 9,179.91
11-20	Various Improvements to Various Parks	100,000.00				100,000.00	100,000.00		
11-21	Police Radio Upgrade - Phase 2	327,027.00				327,027.00	327,027.00		
11-23	Acquisition of Various Police Equipment	56,468.00				56,468.00	56,468.00		
11-25	Purchase of Computer Equipment	65,930.00				65,930.00	65,930.00		
12-10/11-24	Improvements to Ambulances	199,500.00				199,500.00	199,500.00		
11-26	Improvements to Municipal Building	31,350.00				31,350.00	31,350.00		
11-27	Acquisition/Installation of Various Equipment for DPW	715,825.00				715,825.00	715,825.00		
12-11/11-31	Various Roadway Improvements	1,350,000.00		\$ 407,244.00	\$ 50,000.00	1,300,000.00	1,300,000.00		
12-2	Various Stormwater Improvements	1,625,000.00			1,217,756.00				
12-3	Acquisition of Various Equipment for DPW	897,750.00				897,750.00	897,750.00		
12-4	Various Roadway Improvements	1,045,000.00				1,045,000.00	1,045,000.00		
12-5	Acquisition of Various Police Equipment	95,000.00				95,000.00	95,000.00		
12-6	Township Radio System Upgrade Project	736,250.00				736,250.00	736,250.00		
12-24/12-7	Purchase of Various Computer Equipment	95,000.00				95,000.00	95,000.00		
13-10	Various Improvements to Various Parks	118,750.00				118,750.00	118,750.00		
13-13	Refunding All or a Portion of the Series 2003, 2004 and 2005 Bonds		\$ 22,500,000.00			22,500,000.00		663.96	22,499,336.04
13-18	Various Capital Improvements/Acquisition of Capital Equipment		2,322,750.00			2,322,750.00			750.00
	Neptune Basin Project		3,325,000.00			3,325,000.00	2,322,000.00		3,325,000.00
		<u>\$ 8,098,950.00</u>	<u>\$ 28,147,750.00</u>	<u>\$ 407,244.00</u>	<u>\$ 1,267,756.00</u>	<u>\$ 34,571,700.00</u>	<u>\$ 8,460,950.00</u>	<u>\$ 276,484.05</u>	<u>\$ 25,834,265.95</u>
		C	10-C	10-C, 16-C		C	7-C	2-C	
	Loan Issued				\$ 1,217,756.00				
	Raised in Budget				<u>50,000.00</u>				
					<u>\$ 1,267,756.00</u>				



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TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF SERIAL BONDS

Year ended December 31, 2013

Year	Purpose	Date of Issue	Issue Amount	Maturity Date	Maturity Schedule	Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
2003	General Obligations Refunding Bonds	04/01/03	\$ 985,000.00	04/01/21	\$ 10,000.00	6.650%			
				04/01/22	15,000.00	6.650%			
				04/01/23	25,000.00	6.650%			
				04/01/24	35,000.00	6.650%			
				04/01/25	45,000.00	6.650%			
				04/01/26	55,000.00	6.650%			
				04/01/27	65,000.00	6.650%			
				04/01/28	80,000.00	6.650%			
				04/01/29	95,000.00	6.650%			
				04/01/30	110,000.00	6.650%			
				04/01/31	130,000.00	6.650%			
				04/01/32	150,000.00	6.650%			
				04/01/33	170,000.00	6.650%	\$ 985,000.00		\$ 985,000.00
2004	General Improvement Refunding Bonds	05/01/04	5,745,000.00	09/01/14	540,000.00	4.000%			
				09/01/15	550,000.00	4.000%			
				09/01/16	555,000.00	4.125%	2,175,000.00	\$ 530,000.00	1,645,000.00
2005	General Improvement Bonds, 2005A	07/01/05	11,646,000.00	07/01/14	790,000.00	5.000%			
				07/01/15	820,000.00	5.000%			
				07/01/16	850,000.00	5.000%			
				07/01/17	880,000.00	4.000%			
				07/01/18	915,000.00	4.000%			
				07/01/19	950,000.00	4.000%			
				07/01/20	985,000.00	4.000%	6,951,000.00	760,000.00	6,191,000.00
				02/01/14	885,000.00	4.500%			
				02/01/15	905,000.00	4.000%			
				02/01/16	920,000.00	4.000%			
2005	General Obligation Refunding Bonds	09/01/05	14,225,000.00	02/01/17	940,000.00	4.000%			
				02/01/18	955,000.00	4.000%			
				02/01/19	970,000.00	4.000%			
				02/01/20	995,000.00	4.000%			
				02/01/21	1,015,000.00	4.000%			
				02/01/22	1,035,000.00	4.100%			
				02/01/23	1,060,000.00	4.125%			
				02/01/24	1,075,000.00	4.125%	11,620,000.00	865,000.00	10,755,000.00
				08/01/14	770,000.00	4.000%			
				08/01/15	800,000.00	4.000%			
				08/01/16	835,000.00	4.000%			
				08/01/17	865,000.00	4.000%			
				08/01/18	900,000.00	4.000%			
				08/01/19	940,000.00	4.000%			
				08/01/20	980,000.00	4.000%			
				08/01/21	1,020,000.00	4.125%			
				08/01/22	1,065,000.00	4.200%			
				08/01/23	1,110,000.00	4.250%			
2008	General Improvement Bonds	08/26/08	19,200,000.00	08/01/24	1,155,000.00	4.250%			
				08/01/25	1,210,000.00	4.375%			
				08/01/26	1,260,000.00	4.500%			
				08/01/27	1,315,000.00	4.500%			
				08/01/28	1,375,000.00	4.500%	16,330,000.00	730,000.00	15,600,000.00

## GENERAL CAPITAL FUND

## SCHEDULE OF SERIAL BONDS

Year ended December 31, 2013

Year	Purpose	Date of Issue	Issue Amount	Maturity Date	Maturity Schedule	Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
2011	General Obligation Refunding Bonds	01/27/11	5,685,000.00	07/01/14 07/01/15 07/01/16 07/01/17	770,000.00 790,000.00 815,000.00 840,000.00	3.000% 4.000% 4.000%			
2011	General Improvement Bonds	05/24/11	8,850,000.00	01/15/14 01/15/15 01/15/16 01/15/17 01/15/18 01/15/19 01/15/20 01/15/21 01/15/22 01/15/23 01/15/24 01/15/25 01/15/26 01/15/27 01/15/28 01/15/29 01/15/30 01/15/31	430,000.00 445,000.00 455,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00 470,000.00	3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.000% 4.250% 4.250% 4.500%	4,285,000.00	1,070,000.00	3,215,000.00
2012	General Improvement Bonds	05/22/12	7,965,000.00	01/15/14 01/15/15 01/15/16 01/15/17 01/15/18 01/15/19 01/15/20 01/15/21 01/15/22 01/15/23 01/15/24 01/15/25 01/15/26 01/15/27 01/15/28 01/15/29	395,000.00 405,000.00 415,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00 500,000.00	2.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.000% 3.500% 3.000% 3.000% 2.500% 3.000% 3.000% 3.000% 3.000%	8,615,000.00	235,000.00	8,380,000.00
							7,965,000.00	250,000.00	7,715,000.00
							\$ 58,926,000.00	\$ 4,440,000.00	\$ 54,486,000.00
							C		C
Payments By Budget Appropriation								\$ 4,266,250.00	
Payments By Open Space Trust Fund								173,750.00	
								\$ 4,440,000.00	
									4-C

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY  
GENERAL CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2013

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
09-42/09-06	Construction of Vehicle Wash Facility	12/21/11	05/22/12	05/21/13	1.500%	\$ 355,100.00	\$ 355,100.00	\$ 355,100.00	
09-42/09-06	Construction of Vehicle Wash Facility	12/21/11	05/20/13	05/19/14	1.000%				
11-18	Improvements to Various Parks	12/21/11	05/22/12	05/21/13	1.500%	100,000.00	100,000.00	100,000.00	
11-18	Improvements to Various Parks	12/21/11	05/20/13	05/19/14	1.000%				
11-20	Police Radio Upgrade - Phase 2	12/21/11	05/22/12	05/21/13	1.500%	327,027.00	327,027.00	327,027.00	
11-20	Police Radio Upgrade - Phase 2	12/21/11	05/20/13	05/19/14	1.000%				
11-21	Acquisition of Police Equipment	12/21/11	05/22/12	05/21/13	1.500%	56,468.00	56,468.00	56,468.00	
11-21	Acquisition of Police Equipment	12/21/11	05/20/13	05/19/14	1.000%				
11-23	Acquisition of Computer Equipment	12/21/11	05/22/12	05/21/13	1.500%	65,930.00	65,930.00	65,930.00	
11-23	Acquisition of Computer Equipment	12/21/11	05/20/13	05/19/14	1.000%				
12-10/11-24	Improvements to Ambulances	12/21/11	05/22/12	05/21/13	1.500%	142,500.00	142,500.00	142,500.00	
12-10/11-24	Improvements to Ambulances	05/22/12	05/22/12	05/21/13	1.500%	57,000.00	57,000.00	57,000.00	
12-10/11-24	Improvements to Ambulances	12/21/11	05/20/13	05/19/14	1.000%				
11-25	Improvements to Municipal Building	12/21/11	05/22/12	05/21/13	1.500%	31,350.00	31,350.00	31,350.00	
11-25	Improvements to Municipal Building	12/21/11	05/20/13	05/19/14	1.000%				
11-26	Acquisition of Public Works Equipment	12/21/11	05/22/12	05/21/13	1.500%	715,825.00	715,825.00	715,825.00	
11-26	Acquisition of Public Works Equipment	12/21/11	05/20/13	05/19/14	1.000%				
11-27	Various Roadway Improvements	12/21/11	05/22/12	05/21/13	1.500%	1,350,000.00	1,350,000.00	1,350,000.00	
11-27	Various Roadway Improvements	12/21/11	05/20/13	05/19/14	1.000%				
12-02	Acquisition of DPW Equipment	05/22/12	05/22/12	05/21/13	1.500%	897,750.00	897,750.00	897,750.00	
12-02	Acquisition of DPW Equipment	05/22/12	05/20/13	05/19/14	1.000%				
12-03	Various Roadway Improvements	05/22/12	05/22/12	05/21/13	1.500%	1,045,000.00	1,045,000.00	1,045,000.00	
12-03	Various Roadway Improvements	05/22/12	05/20/13	05/19/14	1.000%				
12-04	Acquisition of Various PD Equipment	05/22/12	05/22/12	05/21/13	1.500%	95,000.00	95,000.00	95,000.00	
12-04	Acquisition of Various PD Equipment	05/22/12	05/20/13	05/19/14	1.000%				
12-05	Township Radio System Upgrade Project	05/22/12	05/22/12	05/21/13	1.500%	736,250.00	736,250.00	736,250.00	
12-05	Township Radio System Upgrade Project	05/22/12	05/20/13	05/19/14	1.000%				
12-06	Purchase of Computer Equipment	05/22/12	05/22/12	05/21/13	1.500%	95,000.00	95,000.00	95,000.00	
12-06	Purchase of Computer Equipment	05/22/12	05/20/13	05/19/14	1.000%				
12-24/12-07	Various Improvements to Parks	05/22/12	05/22/12	05/21/13	1.500%	47,500.00	47,500.00	47,500.00	
12-24/12-07	Various Improvements to Parks	05/22/12	05/20/13	05/19/14	1.000%	71,250.00	71,250.00	71,250.00	
12-24/12-07	Various Improvements to Parks	05/22/12	05/20/13	05/19/14	1.000%				
13-13	Various Capital Improvements/Acquisition of Capital Equipment	12/12/13	12/12/13	05/19/14	1.000%				
						<u>\$ 6,117,700.00</u>	<u>\$ 8,460,950.00</u>	<u>\$ 6,117,700.00</u>	<u>\$ 8,460,950.00</u>
						C			
						<u>\$ 6,117,700.00</u>	<u>\$ 8,460,950.00</u>	<u>\$ 6,117,700.00</u>	<u>\$ 8,460,950.00</u>
						C,5-C			
						<u>\$ 2,393,250.00</u>	<u>\$ 50,000.00</u>	<u>\$ 2,393,250.00</u>	<u>\$ 50,000.00</u>
						<u>6,067,700.00</u>	<u>6,067,700.00</u>	<u>6,067,700.00</u>	<u>6,067,700.00</u>
						<u>\$ 8,460,950.00</u>	<u>\$ 8,460,950.00</u>	<u>\$ 8,460,950.00</u>	<u>\$ 8,460,950.00</u>

Cash  
Non-Cash Rollover

Reference  
1-C, 16-C  
7-C

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	C	\$ 2,672,134.54
Increased By:		
Encumbered in 2013	10-C	<u>1,644,118.64</u>
		4,316,253.18
Decreased By:		
Transferred To Improvement Authorizations	10-C	<u>2,672,134.54</u>
Balance, December 31, 2013	C	<u>\$ 1,644,118.64</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF LOANS PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	C	\$ 2,828,584.95
Increased By:		
Cash Receipts	1-C	<u>1,217,756.00</u>
		4,046,340.95
Decreased By:		
Budget Appropriation	4-C	<u>302,873.25</u>
Balance, December 31, 2013	C	<u><u>\$ 3,743,467.70</u></u>

Analysis of Balance

Mill Creek Development	\$ 21,319.45
Manahawkin Lake Development	270,770.72
Acquisition of Nautilus Park	646,629.90
Acquisition of Ocean Acres Park	28,480.96
Rudder Park Development - Phase I	225,085.61
Ocean Acres Park Development	163,812.90
Rudder Park Acquisition	107,771.66
Rudder Park Development - Phase II	241,927.60
Manahawkin Lake - Phase I	215,543.29
Manahawkin Lake - Phase II	354,369.61
Nautilus Park - Phase II	250,000.00
NJEIT Barnaget Bay Funding - Forecastle Basin	1,035,864.00
NJEIT Barnaget Bay Funding - Neptune Basin	<u>181,892.00</u>
	<u><u>\$ 3,743,467.70</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY  
GENERAL CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2013

Ordinance Number	Improvement Description	Ordinance Amount	Balance December 31, 2012		Transferred From Encumbrances	2013 Authorizations	Expended	Cancelled	Encumbered	Balance December 31, 2013	
			Funded	Unfunded						Funded	Unfunded
09-12/04-57	Construction of Bulkhead and Other Improvements To Mill Creek Park	\$ 270,000.00	\$ 125,000.00		\$ 1,825.00		\$ 48,571.58			\$ 125,000.00	
09-30/08-20/07/09/05-07/04-59	Design Improvements for Intersection of Mill Creek Road/Route 72	165,000.00	162,334.78							115,588.20	
09-27/08-10/108-44/07-100/07-74/03-83/05-46	Update of Master Plan Elements as Part of Regional Center Petition	595,000.00	12,804.34								
08-82	Reconstruction and Resurfacing of Roads - Deer Haven	605,000.00	178,002.93					12,804.34			
08-103	Resurfacing of Roads - Deer Haven	100,000.00	67,084.00					178,002.93			
08-113	Acquisition of Landfill Truck	495,000.00								61,075.27	
09-42/05-06	Construction of Vehicle Wash Facility	411,500.00	1,887.26	\$ 355,100.00				19,398.00			
09-43/09-07	Purchase of Inlet Cleaning Vacuum Truck	448,400.00	24,996.89					24,996.89		1,867.26	\$ 355,100.00
10-21	Various Improvements to Various Sports Facilities	238,505.00	8,005.31								
10-22	Various Improvements to Various Parks	105,000.00									
10-25	Various 2010 Roadway Improvements	1,868,750.00	1,417,486.19								
12-18/10-26	Various 2010 Drainage Improvements	531,300.00	79,668.36								
10-29	Acquisition/Installation of Various Equipment for Police Department	477,750.00	303,406.28		143,173.07				\$ 936,973.59	295,486.19	9,179.91
10-30	Various Improvements to a Fire Department Ladder Truck	388,500.00	56,042.50		4,539.00				37,299.90		
10-32	Acquisition of Various Police Vehicles	105,000.00	4,494.62							4,494.62	
11-18	Acquisition/Installation of Various Vehicles/Equipment for DPW	604,800.00	28,678.29		133.62					21,335.37	18,252.37
11-20	Acquisition of Various Parks	344,240.00		922.28	5,500.00						
11-21	Police Radio Upgrade Phase 2	58,440.00	19,399.52		20,710.00						
11-21	Acquisition of Police Equipment	158,400.00	1,967.80		301,819.49						
11-23	Improvements to Ambulances	33,000.00		4,810.57	12,483.01						
12-10/11-24	Improvements to Ambulances	753,500.00		2,027.23	2,027.23				58,042.50		
11-25	Improvements to Municipal Building	1,500,000.00	19,749.52		101,956.10						
11-27	Acquisition of Public Works Equipment	315,000.00	24,068.53		12,749.00						
12-11/11-31	Various Stormwater Improvements	945,000.00	16,038.57		5,967.00						
12-02	Acquisition of Various Vehicles/Equipment for DPW	1,100,000.00	502,039.56		21,709.38						
12-03	Various Roadway Improvements	100,000.00	261,460.71		613,740.21				211,800.00		
12-04	Acquisition of Police Equipment	775,000.00	6,738.12		21,108.85				230,602.50		
12-05	Radio System Upgrade Project	100,000.00	92,677.57		82,600.00						
12-06	Purchase of Computer Equipment	100,000.00	3,976.25		681,665.75				15,325.10		
12-24/12-07	Improvements to Various Parks	125,000.00	75,707.42		39,483.47				7,570.82		
13-10	Refunding All or a Portion of the Series 2003, 2004 and 2005 Bonds	22,500,000.00			208.00						
13-13	Various Capital Improvements/Acquisition of Capital Equipment	2,445,000.00				\$ 22,500,000.00			204,546.73	175,000.00	
13-18	Neptune Basin Project	3,500,000.00				2,445,000.00					
			\$ 2,392,203.39	\$ 1,653,729.54	\$ 2,672,134.54	\$ 28,445,000.00	\$ 3,189,392.07	\$ 715,488.66	\$ 1,644,118.64	\$ 799,846.91	\$ 28,814,221.19
			C	C	8-C		1-C		8-C	C	C,5-C
	Deferred Charges - Unfunded					\$ 28,147,750.00		\$ 407,244.00			
	Capital Improvement Fund					297,250.00		15,000.00			
	Fund Balance							293,244.66			
						\$ 28,445,000.00		\$ 715,488.66			

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	C		\$ 43,778.99
Increased By:			
Cancelled Funded Improvement Authorizations	10-C	\$ 15,000.00	
Budget Appropriation	1-C	<u>301,221.01</u>	
			<u>316,221.01</u>
			360,000.00
Decreased By:			
Appropriated To Finance Improvement Authorizations	10-C		<u>297,250.00</u>
Balance, December 31, 2013	C		<u><u>\$ 62,750.00</u></u>



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## GENERAL CAPITAL FUND

## SCHEDULE OF RESERVE FOR DEBT SERVICE

Year ended December 31, 2013

Reference

Balance, December 31, 2012	C	\$ 139,750.00
Increased By:		
Cash Receipts	1-C	<u>7,320.00</u>
		147,070.00
Decreased By:		
Anticipated as Revenue in Current Fund	1-C	<u>139,750.00</u>
Balance, December 31, 2013	C	<u><u>\$ 7,320.00</u></u>

Reserve to Pay Bonds	<u><u>\$ 7,320.00</u></u>
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TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR DEVELOPER CONTRIBUTIONS

Year ended December 31, 2013

Reference

Balance, December 31, 2013 and 2012	C	\$ <u>42,000.00</u>
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TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR COMMUNITY CENTER DONATIONS

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	C	\$ 250,000.00
Increased By:		
Cash Receipts	1-C	<u>100.00</u>
		250,100.00
Decreased By:		
Appropriated to Finance Preliminary Expenses	3-C	<u>150,000.00</u>
Balance, December 31, 2013	C	<u><u>\$ 100,100.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF RESERVE FOR COMMUNITY INSURANCE PROCEEDS

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	C	\$ -
Increased By:		
Cash Receipts	1-C	<u>148,980.98</u>
Balance, December 31, 2013	C	<u>\$ 148,980.98</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2013

Ordinance Number	Improvement Description	Balance December 31, 2012	2013 Authorizations	Cancelled	BANs Issued	Loans Issued/	Balance December 31, 2013
	General Improvements:						
12-18/10-26	Various 2010 Drainage Improvements	\$ 285,000.00					\$ 285,000.00
12-11/11-31	Various Stormwater Improvements	1,625,000.00					
12-24/12-7	Various Improvements to Various Parks	71,250.00		\$ 407,244.00	\$ 71,250.00	\$ 1,217,756.00	
13-10	Refunding All or a Portion of the Series 2003, 2004 and 2005 Bonds		\$ 22,500,000.00				22,500,000.00
13-13	Various Capital Improvements/Acquisition of Capital Equipment		2,322,750.00		2,322,000.00		750.00
13-18	Neptune Basin Project		3,325,000.00				3,325,000.00
		<u>\$ 1,981,250.00</u>	<u>\$ 28,147,750.00</u>	<u>\$ 407,244.00</u>	<u>\$ 2,393,250.00</u>	<u>\$ 1,217,756.00</u>	<u>\$ 26,110,750.00</u>
	Reference	16-C	10-C	5-C	7-C	5-C	16-C

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY FUND

SCHEDULE OF CASH AND CASH EQUIVALENTS - TREASURER

Year ended December 31, 2013

	<u>Reference</u>	<u>Operating</u>	<u>Capital</u>
Balance, December 31, 2012	D	\$ 1,638,933.42	\$ 2,198,759.64
Increased By Receipts:			
Water/Sewer Utility Revenue	D-3	15,009,908.07	
Premium on Sale of Bonds and Notes	D-2		16,625.91
Prepaid Revenue	12-D	89,732.88	
Due From Water/Sewer Operating Fund	8-D		1,210,000.00
Bond Anticipation Notes	15-D		1,135,000.00
Capital Improvement Fund	18-D		90,000.00
Reserve for Debt Service	21-D		190,064.30
		<u>15,099,640.95</u>	<u>2,641,690.21</u>
		<u>16,738,574.37</u>	<u>4,840,449.85</u>
Decreased By Disbursements:			
Capital Fund Balance	D-2		141,150.71
Reserve for Debt Service	21-D		205,744.29
2013 Appropriations	D-4	11,809,201.37	
Appropriation Reserves	9-D	70,878.55	
Accrued Interest on Bonds and Notes	11-D	1,975,524.73	
Due To Water/Sewer Capital Fund	D	1,210,000.00	
Improvement Authorizations	16-D		3,460,596.69
		<u>15,065,604.65</u>	<u>3,807,491.69</u>
Balance, December 31, 2013	D	\$ 1,672,969.72	\$ 1,032,958.16

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF ANALYSIS OF WATER/SEWER UTILITY CAPITAL FUND CASH AND CASH EQUIVALENTS

Year ended December 31, 2013

	Balance December 31, 2013
Fund Balance	\$ 334,092.52
Capital Improvement Fund	12,625.00
Contracts/Encumbrances Payable	1,020,145.40
Reserve for:	
Debt Service	190,064.30

Improvement Authorizations

<u>Ordinance Number</u>	<u>Improvement Description</u>	
06-10	Purchase Equipment for Water and Sewer Department	31,098.14
06-26	Water/Sewer Line Oversizing	70,000.00
10-28/07-84/03-47	Purchase of Water/Sewer System Equipment	40,211.35
10-33	Acquisition/Installation of Grinder Pumps	8,831.17
11-22	Various Water Main Improvements	109,656.65
12-08	Various Water/Sewer Improvements	139,407.65
12-09	Purchase of Various Water/Sewer Equipment	290,895.04
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	23,979.82
13-14	Various Water/Sewer Improvements	(1,238,048.88)
		<u>\$ 1,032,958.16</u>

Reference      D,1-D

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF DEFERRED CHARGE - DEFICIT IN OPERATIONS

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 411,169.89
Decreased By:		
Budget Appropriation	D-4	<u>411,169.89</u>
Balance, December 31, 2013	D	<u><u>\$ -</u></u>



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY OPERATING FUND

## SCHEDULE OF CONSUMER ACCOUNTS RECEIVABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 297,188.20
Increased By:		
Water/Sewer Charges Levied in 2013		<u>14,199,192.17</u>
		14,496,380.37
Decreased By:		
Collections - Rents, Surcharges, Connection Fees		\$ 14,285,647.83
Prepaid Revenue Applied	D-3,12-D	26,224.37
Transfer to Water-Sewer Liens Receivable	5-D	<u>3,271.75</u>
		<u>14,315,143.95</u>
Balance, December 31, 2013	D	<u>\$ 181,236.42</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF WATER-SEWER LIENS RECEIVABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 14,950.50
Increased By:		
Transfer from Consumer Accounts Receivable	4-D	<u>3,271.75</u>
		18,222.25
Decreased By:		
Collections		<u>980.00</u>
Balance, December 31, 2013	D	<u><u>\$ 17,242.25</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF FIXED CAPITAL

Year ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Increased</u>	Balance December 31, <u>2013</u>
Land	\$ 3,222,734.82		\$ 3,222,734.82
Buildings and Improvements	3,201,100.59		3,201,100.59
Improvements Other Than Buildings	131,643,223.48	\$ 611,823.65	132,255,047.13
Machinery and Equipment	3,703,570.80	7,364.81	3,710,935.61
Furniture and Fixtures	240,006.00		240,006.00
Soft Costs	366,886.90		366,886.90
	<u>\$ 142,377,522.59</u>	<u>\$ 619,188.46</u>	<u>\$ 142,996,711.05</u>

Reference

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7-D

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[illegible]

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF DUE FROM WATER/SEWER OPERATING FUND

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 1,210,000.00
Decreased By:		
Cash Receipts	1-D	<u>1,210,000.00</u>
Balance, December 31, 2013	D	<u>\$ -</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY  
  
WATER/SEWER UTILITY OPERATING FUND  
  
SCHEDULE OF APPROPRIATION RESERVES

Year ended December 31, 2013

	Balance December 31, 2013	Transfer From Encumbrances Payable	Balance After Transfers	Paid	Balance Lapsed
Operating:					
Salaries and Wages	\$ 202.13		\$ 202.13		\$ 202.13
Other Expenses	78,166.80	\$ 17,232.11	95,398.91	\$ 70,878.55	24,520.36
Statutory Expenditures:					
Social Security System	3,381.59		3,381.59		3,381.59
	<u>\$ 81,750.52</u>	<u>\$ 17,232.11</u>	<u>\$ 98,982.63</u>	<u>\$ 70,878.55</u>	<u>\$ 28,104.08</u>

Reference

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10-D

1-D

D-1

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY OPERATING FUND

## SCHEDULE OF ENCUMBRANCES PAYABLE

Year ended December 31, 2013

Reference

Balance, December 31, 2012	D	\$ 17,232.11
Increased By:		
Encumbered in 2013	D-4	<u>58,714.60</u>
		75,946.71
Decreased By:		
Transferred To Appropriation Reserves	9-D	<u>17,232.11</u>
Balance, December 31, 2013	D	<u><u>\$ 58,714.60</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 715,118.19
Increased By:		
Budget Appropriation	D-4	<u>1,942,324.22</u>
		2,657,442.41
Decreased By:		
Interest Paid	1-D	<u>1,975,524.73</u>
Balance, December 31, 2013	D	<u>\$ 681,917.68</u>

Analysis of Accrued Interest - December 31, 2013

Principal Outstanding December 31, 2013	Interest Rate	From	To	Period	Amount
Bond Anticipation Note:					
\$ 2,308,800.00	1.00%	05/20/13	12/31/13	220 Days	\$ 14,109.34
<u>1,135,000.00</u>	1.00%	12/12/13	12/31/13	18 Days	<u>567.50</u>
<u>\$ 3,443,800.00</u>					<u>\$ 14,676.84</u>

Loans:

\$ 130,000.00	5.000%	12/01/13	12/31/13	1 Month	\$ 541.67
275,000.00	5.130%	12/01/13	12/31/13	1 Month	1,175.63
645,000.00	5.250%	12/01/13	12/31/13	1 Month	2,821.88
734,995.82	0.000%	12/01/13	12/31/13	1 Month	
825,000.00	4.000%	11/01/13	12/31/13	2 Months	5,500.00
605,000.00	4.250%	11/01/13	12/31/13	2 Months	4,285.42
1,425,000.00	4.375%	11/01/13	12/31/13	2 Months	10,390.63
325,000.00	4.500%	11/01/13	12/31/13	2 Months	2,437.50
250,000.00	5.000%	11/01/13	12/31/13	2 Months	2,083.33
2,757,918.92	0.000%	11/01/13	12/31/13	2 Months	
680,000.00	4.000%	08/01/13	12/31/13	5 Months	11,333.33
385,000.00	4.125%	08/01/13	12/31/13	5 Months	6,617.19
335,000.00	4.250%	08/01/13	12/31/13	5 Months	5,932.29
650,000.00	5.000%	08/01/13	12/31/13	5 Months	13,541.67
1,698,601.91	0.000%	08/01/13	12/31/13	5 Months	
1,365,000.00	5.000%	11/01/13	12/31/13	2 Months	11,375.00
190,000.00	3.600%	11/01/13	12/31/13	2 Months	1,140.00
485,000.00	4.000%	11/01/13	12/31/13	2 Months	3,233.33
285,000.00	4.250%	11/01/13	12/31/13	2 Months	2,018.75
520,000.00	4.500%	11/01/13	12/31/13	2 Months	3,900.00
2,344,058.59	0.000%	11/01/13	12/31/13	2 Months	
1,335,000.00	5.000%	08/01/13	12/31/13	5 Months	27,812.50
115,000.00	5.250%	08/01/13	12/31/13	5 Months	2,515.63
525,000.00	5.500%	08/01/13	12/31/13	5 Months	12,031.25
1,655,627.28	0.000%	08/01/13	12/31/13	5 Months	
63,596.51	Various	08/01/13	12/31/13	5 Months	811.03
78,289.67	0.000%	08/01/13	12/31/13	5 Months	
75,000.00	3.000%	08/01/13	12/31/13	5 Months	937.50
95,000.00	3.500%	08/01/13	12/31/13	5 Months	1,385.42
655,000.00	4.000%	08/01/13	12/31/13	5 Months	10,916.67
430,000.00	5.000%	08/01/13	12/31/13	5 Months	8,958.33
<u>3,264,201.51</u>	0.000%	08/01/13	12/31/13	5 Months	
<u>\$ 25,202,290.21</u>					<u>\$ 153,695.95</u>



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY OPERATING FUND

SCHEDULE OF ACCRUED INTEREST ON BONDS, NOTES AND LOANS

Year ended December 31, 2013

Analysis of Accrued Interest - December 31, 2013 (continued)

Principal Outstanding December 31, 2013	Interest Rate	From	To	Period	Amount
Serial Bonds:					
\$ 645,000.00	2.500%	12/01/13	12/31/13	1 Month	\$ 1,343.75
420,000.00	2.750%	12/01/13	12/31/13	1 Month	962.50
435,000.00	3.000%	12/01/13	12/31/13	1 Month	1,087.50
445,000.00	3.125%	12/01/13	12/31/13	1 Month	1,158.85
465,000.00	3.250%	12/01/13	12/31/13	1 Month	1,259.38
560,000.00	3.500%	12/01/13	12/31/13	1 Month	1,633.33
1,170,000.00	4.000%	12/01/13	12/31/13	1 Month	3,900.00
1,200,000.00	5.000%	12/01/13	12/31/13	1 Month	5,000.00
4,105,000.00	4.000%	08/01/13	12/31/13	5 Months	68,416.67
685,000.00	4.125%	08/01/13	12/31/13	5 Months	11,773.44
715,000.00	4.200%	08/01/13	12/31/13	5 Months	12,512.50
1,525,000.00	4.250%	08/01/13	12/31/13	5 Months	27,005.21
815,000.00	4.375%	08/01/13	12/31/13	5 Months	14,856.77
2,625,000.00	4.500%	08/01/13	12/31/13	5 Months	49,218.75
235,000.00	3.000%	07/01/13	12/31/13	6 Months	3,525.00
755,000.00	4.000%	07/01/13	12/31/13	6 Months	15,100.00
1,940,000.00	3.000%	07/15/13	12/31/13	165 Days	26,675.00
2,640,000.00	4.000%	07/15/13	12/31/13	165 Days	48,400.00
660,000.00	4.250%	07/15/13	12/31/13	165 Days	12,856.25
330,000.00	4.500%	07/15/13	12/31/13	165 Days	6,806.25
2,821,000.00	3.000%	07/01/13	12/31/13	6 Months	42,315.00
1,975,000.00	4.000%	07/01/13	12/31/13	6 Months	39,500.00
445,000.00	4.100%	07/01/13	12/31/13	6 Months	9,122.50
460,000.00	4.125%	07/01/13	12/31/13	6 Months	9,487.50
985,000.00	4.200%	07/01/13	12/31/13	6 Months	20,685.00
1,010,000.00	5.000%	07/01/13	12/31/13	6 Months	25,250.00
110,000.00	2.000%	07/15/13	12/31/13	165 Days	1,008.33
220,000.00	2.500%	07/15/13	12/31/13	165 Days	2,520.83
2,945,000.00	3.000%	07/15/13	12/31/13	165 Days	40,493.75
440,000.00	3.125%	07/15/13	12/31/13	165 Days	6,302.08
210,000.00	3.500%	07/15/13	12/31/13	165 Days	3,368.75
<u>\$ 33,991,000.00</u>					<u>\$ 513,544.89</u>
					<u>\$ 681,917.68</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY OPERATING FUND

## SCHEDULE OF PREPAID REVENUE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 26,224.37
Increased By:		
Cash Receipts	1-D	<u>89,732.88</u>
		115,957.25
Decreased By:		
Prepaid Revenue Applied	D-3, 4-D	<u>26,224.37</u>
Balance, December 31, 2013	D	<u><u>\$ 89,732.88</u></u>

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF SERIAL BONDS

Year ended December 31, 2013

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Amount				
Water and Sewer Improvements	07/01/05	\$ 10,151,000.00	07/01/13	\$ 315,000.00	5.000%			
			07/01/14	325,000.00	5.000%			
			07/01/15	335,000.00	5.000%			
			07/01/16	350,000.00	5.000%			
			07/01/17	365,000.00	4.000%			
			07/01/18	380,000.00	4.000%			
			07/01/19	395,000.00	4.000%			
			07/01/20	410,000.00	4.000%			
			07/01/21	425,000.00	4.000%			
			07/01/22	445,000.00	4.100%			
			07/01/23	460,000.00	4.125%			
			07/01/24	480,000.00	4.200%			
			07/01/25	505,000.00	4.200%			
			07/01/26	525,000.00	3.000%			
			07/01/27	545,000.00	3.000%			
			07/01/28	570,000.00	3.000%			
Water and Sewer Improvements	08/26/08	12,800,000.00	07/01/29	585,000.00	3.000%	\$ 8,011,000.00	\$ 315,000.00	\$ 7,696,000.00
			07/01/30	596,000.00	3.000%			
			08/01/13	500,000.00	4.000%			
			08/01/14	520,000.00	4.000%			
			08/01/15	540,000.00	4.000%			
			08/01/16	560,000.00	4.000%			
			08/01/17	585,000.00	4.000%			
			08/01/18	605,000.00	4.000%			
			08/01/19	635,000.00	4.000%			
			08/01/20	660,000.00	4.000%			
			08/01/21	685,000.00	4.125%			
			08/01/22	715,000.00	4.200%			
			08/01/23	745,000.00	4.250%			
			08/01/24	780,000.00	4.250%			
			08/01/25	815,000.00	4.375%			
			08/01/26	850,000.00	4.500%			
			08/01/27	885,000.00	4.500%			
			08/01/28	890,000.00	4.500%	10,970,000.00	500,000.00	10,470,000.00

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2013

Purpose	Date of Issue	Original Issue	Maturities of Bonds Outstanding		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Amount				
Refunding Bonds	03/12/09	\$ 9,345,000.00	12/01/13	630,000.00	2.500%			
			12/01/14	420,000.00	2.750%			
			12/01/15	435,000.00	3.000%			
			12/01/16	445,000.00	3.125%			
			12/01/17	465,000.00	3.250%			
			12/01/18	560,000.00	3.500%			
			12/01/19	565,000.00	4.000%			
			12/01/20	605,000.00	4.000%			
			12/01/21	590,000.00	5.000%			
			12/01/22	610,000.00	5.000%	\$ 5,325,000.00	\$ 630,000.00	\$ 4,695,000.00
Refunding Bonds	04/28/09	2,890,000.00	06/01/13	45,000.00	2.000%			
			06/01/13	575,000.00	5.000%			
			06/01/14	645,000.00	2.500%	1,265,000.00	620,000.00	645,000.00
Refunding Bonds	01/27/11	1,440,000.00	07/01/13	230,000.00	3.000%			
			07/01/14	235,000.00	3.000%			
			07/01/15	245,000.00	4.000%			
			07/01/16	250,000.00	4.000%			
			07/01/17	260,000.00	4.000%	1,220,000.00	230,000.00	990,000.00
Water and Sewer Improvements	05/24/11	5,900,000.00	01/15/13	165,000.00	3.000%			
			01/15/14	165,000.00	3.000%			
			01/15/15	270,000.00	3.000%			
			01/15/16	285,000.00	3.000%			
			01/15/17	290,000.00	3.000%			
			01/15/18	300,000.00	3.000%			
			01/15/19	310,000.00	3.000%			
			01/15/20	320,000.00	3.000%			
			01/15/21	330,000.00	4.000%			
			01/15/22	330,000.00	4.000%			
			01/15/23	330,000.00	4.000%			
			01/15/24	330,000.00	4.000%			
			01/15/25	330,000.00	4.000%			
			01/15/26	330,000.00	4.000%			
			01/15/27	330,000.00	4.000%			
			01/15/28	330,000.00	4.000%			
			01/15/29	330,000.00	4.250%			
			01/15/30	330,000.00	4.250%			
			01/15/31	330,000.00	4.500%	5,735,000.00	165,000.00	5,570,000.00

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF SERIAL BONDS

Year ended December 31, 2013

Purpose	Date of Issue	Original Issue	Maturities of Bonds		Interest Rate	Balance December 31, 2012	Decreased	Balance December 31, 2013
			Date	Outstanding December 31, 2013 Amount				
Water and Sewer Improvements	05/22/12	\$ 4,035,000.00	01/15/13	110,000.00	2.000%			
			01/15/14	110,000.00	2.000%			
			01/15/15	200,000.00	3.000%			
			01/15/16	200,000.00	3.000%			
			01/15/17	200,000.00	3.000%			
			01/15/18	200,000.00	3.000%			
			01/15/19	200,000.00	3.000%			
			01/15/20	200,000.00	3.000%			
			01/15/21	210,000.00	3.500%			
			01/15/22	210,000.00	3.000%			
			01/15/23	215,000.00	3.000%			
			01/15/24	220,000.00	2.500%			
			01/15/25	220,000.00	3.000%			
			01/15/26	220,000.00	3.000%			
			01/15/27	220,000.00	3.000%			
			01/15/28	220,000.00	3.000%			
			01/15/29	220,000.00	3.000%			
			01/15/30	220,000.00	3.000%			
			01/15/31	220,000.00	3.125%			
			01/15/32	220,000.00	3.125%			
						\$ 4,035,000.00	\$ 110,000.00	\$ 3,925,000.00
						<u>\$ 36,561,000.00</u>	<u>\$ 2,570,000.00</u>	<u>\$ 33,991,000.00</u>
					Reference	D	22-D	D

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF LOANS PAYABLE

Year ended December 31, 2013

<u>Improvement Description</u>	<u>Original Issue</u>	<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Balance December 31, 2012</u>	<u>Decreased</u>	<u>Balance December 31, 2013</u>
N.J. Environmental Infrastructure Trust Loan	\$ 2,185,000.00	11/08/96	5.00 - 5.25%	\$ 1,170,000.00	\$ 120,000.00	\$ 1,050,000.00
N.J. Environmental Infrastructure Fund Loan	2,183,651.00	11/08/96	0.00%	843,641.07	108,645.25	734,995.82
N.J. Environmental Infrastructure Trust Loan	5,295,000.00	11/10/05	4.00 - 5.00%	3,670,000.00	240,000.00	3,430,000.00
N.J. Environmental Infrastructure Fund Loan	4,895,597.00	11/10/05	0.00%	3,020,142.47	262,223.55	2,757,918.92
N.J. Environmental Infrastructure Trust Loan	3,075,000.00	11/09/06	4.00 - 5.00%	2,180,000.00	130,000.00	2,050,000.00
N.J. Environmental Infrastructure Fund Loan	3,026,741.00	11/09/06	0.00%	1,853,135.98	154,534.07	1,698,601.91
N.J. Environmental Infrastructure Trust Loan	4,425,000.00	11/08/07	4.25 - 5.00%	3,025,000.00	180,000.00	2,845,000.00
N.J. Environmental Infrastructure Fund Loan	4,361,085.00	11/08/07	0.00%	2,566,741.94	222,683.35	2,344,058.59
N.J. Environmental Infrastructure Trust Loan	2,295,000.00	11/06/08	5.00 - 5.50%	2,060,000.00	85,000.00	1,975,000.00
N.J. Environmental Infrastructure Fund Loan	2,263,923.00	11/06/08	0.00%	1,770,983.01	115,355.73	1,655,627.28
N.J. Environmental Infrastructure Trust Loan	100,180.18	12/02/09	0.65 - 4.15%	67,935.54	4,339.03	63,596.51
N.J. Environmental Infrastructure Fund Loan	288,693.00	12/02/09	0.00%	83,182.76	4,893.09	78,289.67
N.J. Environmental Infrastructure Trust Loan	1,405,000.00	03/10/10	3.00 - 5.00%	1,305,000.00	50,000.00	1,255,000.00
N.J. Environmental Infrastructure Fund Loan	4,221,645.00	03/10/10	0.00%	3,486,393.34	222,191.83	3,264,201.51
				<u>\$ 27,102,156.11</u>	<u>\$ 1,899,865.90</u>	<u>\$ 25,202,290.21</u>

Reference

D

22-D

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TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF BOND ANTICIPATION NOTES

Year ended December 31, 2013

Ordinance Number	Improvement Description	Original Issue Date	Date of Issue	Maturity Date	Interest Rate	Balance December 31, 2012	Increased	Decreased	Balance December 31, 2013
09-40/09-09	Route 9/Oak Avenue Water Main Loop	12/21/11	05/22/12	05/21/13	1.500%	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00	\$ 2,200.00
09-40/09-09	Route 9/Oak Avenue Water Main Loop	12/21/11	05/20/13	05/19/14	1.000%				
11-19	Various Water System Improvements	12/21/11	05/22/12	05/21/13	1.500%	320,000.00	320,000.00	320,000.00	320,000.00
11-19	Various Water System Improvements	12/21/11	05/20/13	05/19/14	1.000%				
11-22	Various Water Main Improvements	12/21/11	05/22/12	05/21/13	1.500%	799,100.00	799,100.00	799,100.00	799,100.00
11-22	Various Water Main Improvements	12/21/11	05/20/13	05/19/14	1.000%				
12-08	Various Water/Sewer Utility Improvements	05/22/12	05/22/12	05/21/13	1.500%	755,250.00	755,250.00	755,250.00	755,250.00
12-08	Various Water/Sewer Utility Improvements	05/22/12	05/20/13	05/19/14	1.000%				
12-09	Purchase of Various Water/Sewer Equipment	05/22/12	05/22/12	05/21/13	1.500%	432,250.00	432,250.00	432,250.00	432,250.00
12-09	Purchase of Various Water/Sewer Equipment	05/22/12	05/20/13	05/19/14	1.000%				
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	12/12/13	12/12/13	05/19/14	1.000%		1,135,000.00		1,135,000.00
						<u>\$ 2,308,800.00</u>	<u>\$ 3,443,800.00</u>	<u>\$ 2,308,800.00</u>	<u>\$ 3,443,800.00</u>
						D			
	Cash					\$ 1,135,000.00			
	Non-Cash Rollover					<u>2,308,800.00</u>		<u>\$ 2,308,800.00</u>	
						<u>\$ 3,443,800.00</u>		<u>\$ 2,308,800.00</u>	
						D			

Reference

1-D,23-D

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY  
WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF IMPROVEMENT AUTHORIZATIONS

Year ended December 31, 2013

Ordinance Number	Improvement Description	Date	Amount	Balance December 31, 2012		Transferred From Contracts/ Encumbrances Payable	2013 Authorizations	Expended	Cancelled	Contracts/ Encumbrances Payable	Balance December 31, 2013	
				Funded	Unfunded						Funded	Unfunded
06-10	Purchase Equipment for Water and Sewer Department	02/21/06	193,000.00	\$ 18,926.14		\$ 19,536.81		\$ 7,364.81			\$ 31,098.14	
06-26	Water/Sewer Line Oversizing	05/02/06	400,000.00	70,000.00							70,000.00	
08-31/07-91/06-22	Beachview Area Water and Sewer Extension Project	10/02/07	6,334,000.00	5,612.13					\$ 5,612.13			
08-61	Beach Haven West Phase 2 Sewer Rehabilitation	07/01/08	1,000,000.00	10,344.18		129,159.62		72,374.38		\$ 67,129.42		
09-40/09-09	Route 9/Oak Avenue Water Main Loop	08/04/09	800,000.00		\$ 2,200.00				310,226.30	2,200.00		
09-48/08-33/07-76	Replacement of Mill Creek Road Water Main	11/02/09	4,655,000.00	310,226.30		252,572.20		252,572.20				
10-27	Water Mains Along Rt. 9	08/17/10	920,000.00	284,877.07		2,000.00		286,877.07				
10-28/07-84/03-47	Purchase of Water and Sewer Equipment	09/07/10	395,000.00	40,211.35							40,211.35	
10-33	Acquisition and Installation of Grinder Pumps	09/07/10	75,000.00	8,831.17							8,831.17	
11-19	Various Water System Improvements	07/12/11	320,000.00		3,074.10	15,002.35		15,279.65		2,796.80		
11-22	Various Water Main Improvements	07/12/11	799,100.00		137,325.10	593,923.96		613,631.50		7,960.91	\$ 109,656.65	
12-08	Various Water/Sewer Improvements	02/21/12	795,000.00		708,495.48	45,983.34		519,469.81		95,601.36	139,407.65	
12-09	Purchase of Various Water/Sewer Equipment	02/21/12	455,000.00		314,733.16	74,577.00		77,952.00		20,463.12	290,895.04	
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	04/16/13	1,135,000.00				\$ 1,135,000.00	1,106,658.13		4,362.05	23,979.82	
13-14	Various Water/Sewer Improvements	08/16/13	1,800,000.00				1,800,000.00	508,417.14		819,631.74	471,951.12	
				\$ 749,028.34	\$ 1,165,827.84	\$ 1,132,755.28	\$ 2,935,000.00	\$ 3,460,596.69	\$ 315,838.43	\$ 1,020,145.40	\$ 150,140.66	\$ 1,035,890.28
			Reference	D	D	17-D		1-D	D-2,7-D	17-D	D	D
	Capital Improvement Fund						\$ 87,375.00					
	Down Payments on Improvements	18-D, 20-D					2,625.00					
	Bonds and Notes Authorized	19-D, 20-D					2,845,000.00					
		23-D										
		7-D					\$ 2,935,000.00					



TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF CONTRACTS/ENCUMBRANCES PAYABLE

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 1,132,755.28
Increased By:		
Charges To Improvement Authorizations	16-D	<u>1,020,145.40</u>
		2,152,900.68
Decreased By:		
Transferred To Improvement Authorizations	16-D	<u>1,132,755.28</u>
Balance, December 31, 2013	D	<u><u>\$ 1,020,145.40</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF CAPITAL IMPROVEMENT FUND

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 10,000.00
Increased By:		
Budget Appropriation	1-D	<u>90,000.00</u>
		100,000.00
Decreased By:		
Appropriated To Finance Improvement Authorizations	16-D	<u>87,375.00</u>
Balance, December 31, 2013	D	<u><u>\$ 12,625.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF DOWN PAYMENTS ON IMPROVEMENTS

Year ended December 31, 2013

Reference

Balance, December 31, 2012	D	\$ 2,625.00
Decreased By:		
Appropriated To Finance Improvement		
Authorizations	16-D	<u>2,625.00</u>
Balance, December 31, 2013	D	<u>\$ -</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF RESERVE FOR DEFERRED AMORTIZATION

Year ended December 31, 2013

	<u>Reference</u>	
Balance, December 31, 2012	D	\$ 68,112.13
Increased By:		
Appropriated To Finance Improvement Authorizations	16-D	<u>90,000.00</u>
		158,112.13
Decreased By:		
Transfer to Reserve for Amortization	22-D	<u>5,612.13</u>
Balance, December 31, 2013	D	<u><u>\$ 152,500.00</u></u>
 <u>Analysis:</u>		
Ordinance Number:		
12-08		\$ 39,750.00
12-09		22,750.00
13-14		<u>90,000.00</u>
		<u><u>\$ 152,500.00</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF RESERVE FOR DEBT SERVICE

Year ended December 31, 2013

Reference

Balance, December 31, 2012	D	\$ 205,744.29
Increased By:		
Cash Receipts	1-D	<u>190,064.30</u>
		395,808.59
Decreased By:		
Anticipated as Revenue	1-D	<u>205,744.29</u>
Balance, December 31, 2013	D	<u><u>\$ 190,064.30</u></u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

## WATER/SEWER UTILITY CAPITAL FUND

## SCHEDULE OF RESERVE FOR AMORTIZATION

Year ended December 31, 2013

	<u>Reference</u>		
Balance, December 31, 2012	D		\$ 79,861,051.32
Increased By:			
Serial Bonds Paid By Operating Budget	13-D	\$ 2,570,000.00	
Transfer From Reserve for Deferred Amortization	20-D	5,612.13	
Loan Paid By Operating Budget	14-D	<u>1,899,865.90</u>	
			<u>4,475,478.03</u>
			84,336,529.35
Decreased By:			
Cancelled Funded Improvement Authorizations:			
Fixed Capital Authorized and Uncompleted	7-D		<u>315,838.43</u>
Balance, December 31, 2013	D		<u>\$ 84,020,690.92</u>

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

WATER/SEWER UTILITY CAPITAL FUND

SCHEDULE OF BONDS AND NOTES AUTHORIZED BUT NOT ISSUED

Year ended December 31, 2013

<u>Ordinance Number</u>	<u>Improvement Description</u>	Balance December 31, 2012	2013 Authorizations	BANs Issued	Balance December 31, 2013
13-06	Emergency Retrofit/Replacement of Grinder Pump Stations	\$	\$ 1,135,000.00	\$ 1,135,000.00	
13-14	Various Water/Sewer Improvements		1,710,000.00		\$ 1,710,000.00
		\$	\$ 2,845,000.00	\$ 1,135,000.00	\$ 1,710,000.00
	<u>Reference</u>	23-D	16-D	15-D	23-D

TOWNSHIP OF STAFFORD  
COUNTY OF OCEAN, NEW JERSEY

GENERAL FIXED ASSETS ACCOUNT GROUP

SCHEDULE OF RESERVE FOR INVESTMENT IN FIXED ASSETS

Year ended December 31, 2013

	Balance December 31, <u>2012</u>	<u>Additions</u>	<u>Disposals</u>	Balance December 31, <u>2013</u>
Land	\$ 20,152,797.61			\$ 20,152,797.61
Buildings and Improvements	12,574,842.35		\$ 472,526.00	12,102,316.35
Machinery and Equipment	<u>18,482,260.93</u>	<u>\$ 204,570.00</u>	<u>2,694,605.40</u>	<u>15,992,225.53</u>
	<u>\$ 51,209,900.89</u>	<u>\$ 204,570.00</u>	<u>\$ 3,167,131.40</u>	<u>\$ 48,247,339.49</u>
<u>Reference</u>	E			E



**TOWNSHIP OF STAFFORD**  
**COUNTY OF OCEAN**  
**SUPPLEMENTARY DATA**  
**YEAR ENDED DECEMBER 31, 2013**

## COMPARATIVE SCHEDULE OF TAX RATE INFORMATION

	<u>2013</u>	<u>2012</u>	<u>2011</u>
Tax Rate (Per \$100 Assessed Valuation)	<u>\$2.247</u>	<u>\$1.907</u>	<u>\$1.887</u>

### Apportionment of Tax Rate

Municipality	.874	.707	.703
County	.416	.378	.380
Regional High School	.238	.214	.211
Local District School	.717	.598	.583
Municipal Open Space	.002	.010	.010

### Assessed Valuation

2013	\$3,601,114,121.00		
2012		\$4,379,755,881.00	
2011			\$4,371,873,160.00

## COMPARISON OF TAX LEVIES AND COLLECTION CURRENTLY

A study of this tabulation could indicate a possible trend in future tax levies. A decrease in the percentage of current collection could be an indication of a probable increase in future levies.

<u>Year</u>	<u>Tax Levy</u>	<u>Cash Collections</u>	<u>Percentage of Collection</u>
2013	\$81,195,429.48	\$80,583,706.44	99.24%
2012	83,741,040.86	82,562,339.78	98.59%
2011	82,767,985.20	81,776,195.43	98.80%

## DELINQUENT TAXES AND TAX TITLE LIENS

This tabulation includes a comparison, expressed in percentage, of the total of delinquent taxes and tax title liens in relation to the tax levies of the last three years.

<u>Year Ended December 31</u>	<u>Amount of Tax Title Liens</u>	<u>Amount of Delinquent Taxes</u>	<u>Total Delinquent</u>	<u>Percentage of Tax Levy</u>
2013	\$104,554.96	\$576,922.88	\$681,477.84	.84%
2012	118,833.01	947,512.88	1,066,345.89	1.27%
2011	61,020.81	890,510.44	951,531.25	1.15%

### **PROPERTY ACQUIRED BY TAX TITLE LIEN LIQUIDATION**

The value of the property acquired by liquidation of tax title liens on December 31<sup>st</sup>, on the basis of the last assessed valuation of such properties, was as follows:

<u>Year</u>	<u>Amount</u>
2013	\$186,650.00
2012	288,350.00
2011	290,850.00

### **COMPARISON OF WATER-SEWER UTILITY CHARGES LEVIED**

<u>Year</u>	<u>Levy</u>	<u>Prior Year Delinquent</u>	<u>Cash Collections</u>
2013	\$14,199,192.17	\$297,188.20	\$14,311,872.20
2012	12,650,414.49	239,801.19	12,578,076.98
2011	12,884,996.90	181,641.59	12,826,837.30

### **COMPARATIVE SCHEDULE OF FUND BALANCES**

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized In Budget of Succeeding Year</u>
<u>Current Fund</u>		
2013	\$2,936,825.62	\$2,500,000.00
2012	3,297,409.58	2,900,000.00
2011	3,665,909.45	3,250,000.00
2010	2,913,670.01	2,800,000.00
2009	3,419,616.23	3,300,000.00

<u>Year</u>	<u>Balance December 31</u>	<u>Utilized in Budget of Succeeding Year</u>
<u>Water-Sewer Utility Fund</u>		
2013	\$483,974.52	\$ -
2012	78.12	-
2011	78.12	-
2010	639,278.12	639,200.00
2009	581,711.51	580,000.00

## **OFFICIALS IN OFFICE AND SURETY BONDS**

The following Officials were in office during the period under audit:

<u>Name</u>	<u>Title</u>	
John Spodafora	Mayor	
Henry Mancini	Council President	
William Fessler	Councilman	
Paul Krier	Councilman	
Robert Kusznidow	Councilman	
Sharon McKenna	Councilwoman	
Lori Wyrsh	Councilwoman	
Jim Moran	Administrator	
Bernadette Park	Clerk	
Douglas R. Gannon	Chief Financial Officer	*
Ruth Hendricks	Assistant CFO	*
Margaret Favorito	Collector	*
Nichole Erdin	Deputy Tax Collector	*
Damian Murray	Municipal Court Judge	*
Kevin N. Starkey	Municipal Attorney	

- \* All employees are covered by a Blanket Bond of \$1,000,000.00 of which \$950,000.00 is provided as part of the Ocean County Joint Insurance Fund and \$50,000.00 through the Municipal Excess Liability Joint Insurance Fund.

**TOWNSHIP OF STAFFORD**  
**COUNTY OF OCEAN**  
**PART II**  
**SINGLE AUDIT SECTION**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

# FALLON & LARSEN LLP

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Certified Public Accountants  
Registered Municipal Accountants

1390 Route 36, Suite 102  
Hazlet, New Jersey 07730-1716  
Telephone: (732) 888-2070  
FAX: (732) 888-6245

## **INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY CIRCULAR A-133**

To the Honorable Mayor  
and Members of the Township Council  
Township of Stafford  
County of Ocean  
Stafford, New Jersey

### **Report on Compliance for Each Major Federal Program**

We have audited the Township of Stafford, State of New Jersey's (the "Township") compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the Township's major federal programs for the year ended December 31, 2013. The Township's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### **Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on compliance for each of the Township's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Township's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Township's compliance.

## **Opinion on Each Major Federal Program**

In our opinion, the Township, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2013.

## **Other Matters**

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 2013-01. Our opinion on the major federal program is not modified with respect to this matter.

The Township's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Township's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

## **Report on Internal Control Over Compliance**

Management of the Township is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Township's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of the Township's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Thomas P. Fallon  
Certified Public Accountant  
Registered Municipal Accountant #465



Fallon & Larsen LLP

Hazlet, New Jersey  
June 12, 2014



**TOWNSHIP OF STAFFORD**  
COUNTY OF OCEAN  
STATE OF NEW JERSEY

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For The Year Ended December 31, 2013

Federal Grantor/Pass-through Grantor/ Program or Cluster Title	Grant Number/ Pass Through Grant Number	Federal CFDA Number	Grant Period	Grant/Loan Award	Cash Received	Federal Expenditures	Cumulative Expenditures
U.S. Department of Environmental Protection: Pass-through programs from: State of New Jersey Department of Environmental Protection: Capitalization Grants for Clean Water State Revolving Funds Total U.S. Department of Environmental Protection	S344100-01	66.458	2012 to Completion	\$ 1,217,756.00 <u>1,217,756.00</u>	\$ 1,217,756.00 <u>1,217,756.00</u>	\$ 602,292.10 <u>602,292.10</u>	\$ 1,217,756.00 <u>1,217,756.00</u>
U.S. Department of Homeland Security: Pass-through programs from: New Jersey Department of Law and Public Safety: Disaster Grants - Public Assistance (Presidentially Declared Disasters): Various Projects Total U.S. Department of Homeland Security	PA-02-NJ-4086	97.036	Various	2,422,744.56 <u>2,422,744.56</u>	371,097.93 <u>371,097.93</u>	2,422,744.56 <u>2,422,744.56</u>	2,422,744.56 <u>2,422,744.56</u>
Total Federal Expenditures				\$ 3,640,500.56 <u>\$ 3,640,500.56</u>	\$ 1,588,853.93 <u>\$ 1,588,853.93</u>	\$ 3,025,036.66 <u>\$ 3,025,036.66</u>	\$ 3,640,500.56 <u>\$ 3,640,500.56</u>

See accompanying notes to the schedules of expenditures of federal awards.

**TOWNSHIP OF STAFFORD**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**NOTE 1 ORGANIZATION AND BASIS OF PRESENTATION**

A. Organization

The Township of Stafford is the prime sponsor and recipient of various federal grant funds. The Township has delegated the administration of grant programs and the reporting function to various departments within the Township. Substantially all grant and program cash funds are commingled with the Township's other funds, although each grant is accounted for separately within the Township's financial records. The Township's Department of Finance performs the accounting functions for all grants.

B. Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of the Township of Stafford. The schedule is presented on the cash basis of accounting other than the Disaster Grants received from the United States Department of Homeland Security.

The Disaster Grants presented in the accompanying schedule of federal awards are presented based on approved expenditures from the U.S. Department of Homeland Security. These expenditures include cash disbursements and commitments for future disbursements based on contracts awarded. The eligible expenditures will be adjusted in future years based on insurance proceeds and increases or decreases in project scope.

The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

**NOTE 2 CONTINGENCIES**

Each of the grantor agencies reserves the right to conduct additional audits of the Township's grant programs for economy, efficiency and program results. However, Township management does not believe such audits would result in material amounts of disallowed costs.

**TOWNSHIP OF STAFFORD**  
**NOTES TO THE SCHEDULE OF EXPENDITURES OF**  
**FEDERAL AWARDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

**NOTE 3   LOANS OUTSTANDING**

During the year ended December 31, 2013 the Township received \$2,000,000.00 in Community Disaster Loans. These loans are funded by the United States Department of Homeland Security. In accordance with the regulatory basis of accounting followed by municipalities in New Jersey these loans were realized as revenue during the year ended December 31, 2013. In accordance with federal guidelines these loans may be forgiven if certain revenue criteria are met in future years. The potential liability of the Current Fund is \$2,000,000.00

**TOWNSHIP OF STAFFORD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Section I - Summary of Auditors' Results**

**Financial Statements Section**

Type of auditors' report issued:

Generally Accepted Accounting Principles	<u>Adverse</u>
Regulatory Basis	<u>Qualified</u>

Internal control over financial reporting:

Material weakness identified?	<u>      </u> Yes	<u>  X  </u> No
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Significant deficiency identified not considered to be material weaknesses?	<u>      </u> Yes	<u>NONE REPORTED</u>
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Noncompliance material to financial statements noted?	<u>      </u> Yes	<u>  X  </u> No
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**a) Federal Awards**

Internal Control over major programs:

Material weakness identified?	<u>      </u> Yes	<u>  X  </u> No
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Significant deficiency identified not considered to be material weakness?	<u>      </u> Yes	<u>NONE REPORTED</u>
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Type of auditors' report issued on compliance for major programs:	<u>Unqualified</u>
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Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section 510(a)?	<u>  X  </u> Yes	<u>      </u> No
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Identification of major federal programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>	<u>Grant Number</u>
66.458	Capitalization Grants for Clean Water State Revolving Funds	S344100-01
97.036	Disaster Grants	PA-02-NJ 4086

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$300,000.00</u>
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Auditee qualified as low risk auditee?	<u>      </u> Yes	<u>  X  </u> No
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**TOWNSHIP OF STAFFORD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Section II - Financial Statement Findings**

None reported.

**TOWNSHIP OF STAFFORD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Section III**

**Federal Award Findings and Questioned Costs**

Questioned  
Costs

Department of Homeland Security

Disaster Grants - Public Assistance (Presidentially Declared Disasters) -  
CFDA No. 97.036

2013-01     Project Worksheet No. 5084 - Year Ended December 31, 2013

Condition and Criteria: Wages utilized to develop the project worksheet were not in agreement with actual charges per the payroll register. In some cases the wages paid were more than those charged to the project worksheet and in other cases the wages paid were less than those charged to the project worksheet. In addition, it does not appear that an overhead rate was applied to the charges as allowable by regulations.

Effect: \$16,000.00 of wages are questioned costs. The under reported wages and overhead rates are costs that have not been obligated in the project worksheet.

\$16,000.00

Cause: This occurred because there were no procedures in place at the time the project worksheet was being prepared to verify that employees are being charged to project worksheets at the appropriate rate and there were no procedures in place to determine that appropriate overhead rates were applied.

Context: A sample of thirteen employees was selected for testing. Of the thirteen employees tested, nine hourly rates per the payroll register were not in agreement with the rates included in the project worksheet. Some rates included in the project worksheet were in excess of actual pay rates and others were below the actual pay rate.

Auditor's Recommendation: Procedures should be in place to determine all hourly payroll rates and overhead rates are included at the appropriate amount in preparing project worksheets. The Township should compare the detail of obligated amounts in the project worksheets to the support maintained on file to ascertain amount are in agreement.

**TOWNSHIP OF STAFFORD  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Section III (continued)**

Federal Award Findings and Questioned Costs (continued)

Questioned  
Costs

Department of Homeland Security

Disaster Grants - Public Assistance (Presidentially Declared Disasters) -  
CFDA No. 97.036 (continued)

2013-01     Project Worksheet No. 5084 - Year Ended December 31, 2013  
(continued)

Views of Responsible Officials: Approved project worksheets will be reconciled to the support maintained on file to ascertain amounts are in agreement. The Township is currently in the process of amending the project worksheet in question.

**TOWNSHIP OF STAFFORD  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**Schedule of Federal Prior Year Audit Findings**

None reported.



**TOWNSHIP OF STAFFORD**

**COUNTY OF OCEAN**

**PART III**

**COMMENTS AND RECOMMENDATIONS**

**FOR THE YEAR ENDED DECEMBER 31, 2013**

## **GENERAL COMMENTS**

### **Contracts and Agreements Required To Be Advertised for N.J.S. 40A:11-4**

N.J.S. 40-A:11-4 states, "Every contract awarded by the contracting agent for the provision or performance of any goods or services, the cost of which in the aggregate exceeds the bid threshold, shall be awarded only by resolution of the governing body of the contracting unit to the lowest responsible bidder after public advertising for bids and bidding therefor, except as is provided otherwise in this act or specifically by any other law".

The Governing Body of the Municipality has the responsibility of determining whether the expenditures in any category will exceed the bid threshold within the fiscal year. Where questions arise as to whether any contract or agreement might result in violation of the statute, the Township Counsel's opinion should be sought before a commitment is made.

The minutes indicate that bids were requested by public advertising for the following items:

Charles Boulevard Water Main Replacement  
Fence Repairs for Beach Haven West and Ocean Acres  
Purchase and Delivery of Meter Pits  
Purchase and Delivery of Potassium Permanganate  
Roll-Out Refuse Collection Containers  
Sanitary sewer repairs Phase 3 - Beach Haven West  
Jonathan Dr. and Jennifer Ln Phase I and Jennifer Ln  
Phase II water main replacement  
Sanitary sewer repairs Phase 3 - Beach Haven West  
2013 Roadway Improvement Program  
Lease of Cellular Equipment of the Fawn Lakes Water Tower  
Purchase of Water and Sewer Materials  
Turf Equipment and Sundries

Inasmuch as the system of records did not provide for an accumulation of payments for categories for the performance of any work or the furnishing or hiring of any materials or supplies, the results of such an accumulation could not reasonably be ascertained. Disbursements were reviewed, however, to determine whether any clear cut violations existed.

The minutes indicate that resolutions were adopted and advertised authorizing the awarding of contracts or agreements for "Professional Services" per N.J.S. 40A:11-5.

Our examination of expenditures did not reveal individual payments in excess of the bid threshold "for the provision or performance of any goods or services" other than those where bids had been previously sought by public advertisement or where a resolution had been previously adopted under the provision of N.J.S. 40A:11-6.

## **GENERAL COMMENTS (continued)**

### **Purchases, Contracts or Agreements Not Required to be Advertised by N.J.S. 40A:11-6.1**

N.J.S. 40A:11-6.1 states, "For all contracts that in the aggregate are less than the bid threshold but exceed 15 percent or more of that amount, and for those contracts that are for subject matter enumerated in subsection (1) of section 5 of P.L. 1971, c. 198 (C.40A:11-5), except for paragraph (a) of that subsection concerning professional services and paragraph (b) of that subsection concerning work by employees of the contracting unit, the contracting agent shall award the contract after soliciting at least two competitive quotations, if practicable. The award shall be made to a vendor whose response is most advantageous, price and other factors considered"

### **Collection of Interest on Delinquent Taxes, Water/Sewer Utility Charges, and Assessments**

N.J.S.A. 54:4-67 provides the method for authorizing interest and the maximum rates to be charged for the nonpayment of taxes, assessments, and other charges on or before the date when they would become delinquent.

The Governing Body adopted a resolution authorizing interest to be charged on delinquent taxes, water/sewer utility charges and assessments:

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and Township Council of the Township of Stafford, County of Ocean, State of New Jersey, as follows:

1. The Tax Collector is hereby authorized and directed to charge 8% per annum on the first \$1,500.00 of taxes becoming delinquent after due date and 18% per annum on any amount of taxes in excess of \$1,500.00 becoming delinquent after due date, subject to any abatement or discount for the late payment of taxes as provided by law; and, if a delinquency is in excess of \$10,000.00 and remains in arrears beyond December 31 of the tax year, an additional penalty of 6% shall be charged against the delinquency.
2. There will be a ten (10) day grace period for quarterly tax payments made by cash, check or money order.
3. Any payments not made in accordance with paragraph 2, of this resolution shall be charged interest from the due date, as set forth in paragraph 1 of this resolution.

It appears, from an examination of the Collector's records, that interest was collected in accordance with the foregoing resolution and statute.

## **GENERAL COMMENTS (continued)**

### **Delinquent Taxes, Tax Title Liens, and Delinquent Water-Sewer Charges**

The detail of all unpaid taxes for 2013 and prior years is being properly carried in the Tax Collector's records. An abstract taken from these records as of December 31, 2013, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

A tax sale was held on May 23, 2013 and was complete.

The following comparison is made of the number of tax title liens receivable on December 31<sup>st</sup> of the last three (3) years.

<u>Year</u>	<u>Number of Liens</u>
2013	58
2012	53
2011	34

The detail of all unpaid water-sewer charges for 2013 and prior years is being properly carried in the Utility Collector's records. An abstract taken from these records as of December 31, 2013, covering all unpaid charges on that date, was verified with the accounting control figures shown in this report.

### **Verification of Delinquent Taxes and Other Charges**

Verification of delinquent charges and current payments was done for the period under audit in accordance with the regulations of the Division of Local Government Services, on December 31, 2013 and consisted of verification notices as follows:

<u>Type</u>	<u>Number Mailed</u>	<u>Number Returned</u>
Dates of Payments of Taxes	25	6
Delinquent Taxes	6	2
Dates of Payment of Water-Sewer Utility Charges	25	10
Delinquent Water-Sewer Utility Charges	7	1

Through examination of those notices that were returned, and by alternative procedures for notices unreturned, no irregularities were noted.

## **OTHER COMMENTS**

### **Cash and Cash Equivalents Balances**

The cash and cash equivalents balances in all funds were verified by independent certifications obtained from the depositories as of December 31, 2013.

Cash counts were made at various dates in all departments of the Township and bank balances were independently reconciled to the books and records or to such schedules of receipts and disbursements provided for audit.

The change funds and petty cash funds were counted.

### **Revenues**

Receipts from licenses, fees, fines and costs, etc. for all departments, including the Municipal Court, were checked to the records maintained to the extent deemed necessary.

### **Expenditures**

The vouchers for all funds were examined to the extent deemed necessary to determine that they carried the properly executed certifications as required by statute.

### **Payroll**

An examination was made of the employees' compensation records for the year 2013 to determine that salaries were paid in conformity with the amounts of salaries and wages authorized by ordinance. Vouchers for overtime and part-time wages were checked.

### **Miscellaneous Comments**

The confirmations sent to the Regional High School and Local District Board of Education verified the correct school tax payable at December 31, 2013.

Appreciation

I desire to express my appreciation for the cooperation received from the Township Officials and Employees and the courtesies extended during the course of the audit.

**RECOMMENDATIONS**

It is recommended:

2013-01 That the detail of obligated project worksheets be reconciled to support maintained on file to ascertain amounts are in agreement.

The above recommendation is not similar to any reported in the December 31, 2012 audit.

Should any questions arise as to my comment or recommendation, or should you desire assistance in implementing my recommendation, please do not hesitate to call me.

Very truly yours,

A handwritten signature in dark ink, appearing to read 'T. Fallon', with several horizontal strokes underneath.

Thomas P. Fallon  
Certified Public Accountant  
Registered Municipal Accountant # 465

For the Firm  
FALLON & LARSEN LLP